

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE  
SAN FRANCISCO, CA 94102-3298



July 12, 2013

**Advice Letter 4235-E**

Brian K. Cherry  
Vice President, Regulation and Rates  
Pacific Gas and Electric Company  
77 Beale Street, Mail Code B10C  
P.O. Box 770000  
San Francisco, CA 94177

**SUBJECT: Deed Restriction, Land Exchange and Grant of Easements to the  
Port of San Luis Harbor District -- Request for Approval Under  
Section 851**

Dear Mr. Cherry:

Advice Letter 4235-E is effective as of July 5, 2013.

Sincerely,

A handwritten signature in cursive script that reads "Edward F. Randolph".

Edward F. Randolph, Director  
Energy Division

June 5, 2013

**Advice 4235-E**

(Pacific Gas and Electric Company ID U 39 E)

Public Utilities Commission of the State of California

**Subject: Deed Restriction, Land Exchange and Grant of Easements To The Port San Luis Harbor District – Request for Approval Under Section 851****Purpose**

Pacific Gas and Electric Company (PG&E) respectfully requests an order from the California Public Utilities Commission (CPUC) authorizing PG&E under Public Utilities Code § 851 (Section 851) to consent, as the lessee of certain real property located in San Luis Obispo County, California, to the following land transactions related to PG&E's Steam Generator Replacement Project (SGRP) at the Diablo Canyon Power Plant: 1) a deed restriction on 1,200 acres to prohibit development on a coastal bluff; 2) the conveyance of approximately 6.24 acres of land together with access and drainage easements to Port San Luis Harbor District (Port), and 3) the granting of a road easement to the Port for the purpose of providing access to the Point San Luis Lighthouse.

**Background**

PG&E leases approximately 5,000 acres of land surrounding the Diablo Canyon Power Plant (DCPP). The owner of the property is Eureka Energy Company (Eureka), a wholly-owned subsidiary of PG&E. The lands affected by the proposed transactions are located near Avila Beach. See Figure 1.

In 2005, PG&E received approval of a Coastal Development Permit (CDP No. E-06-011/A-3-SLO-06-017) from the California Coastal Commission for PG&E's Steam Generator Replacement Project (Exhibit A). The Coastal Development Permit required, as conditions of approval, that PG&E agree to certain land transactions related to public access enhancements associated with the SGRP.

**The Lighthouse Road Easement.**

Special Condition 3(b) of the Coastal Development Permit required PG&E to convey a road easement to the Port San Luis Harbor District which would be used to allow public access to the historic Point San Luis Lighthouse. The road easement is

located on the southern portion of PG&E's 5,000-acre leasehold premise, approximately 6 miles from the plant site. The entire road easement is along existing roads. The road easement begins at the intersection of Avila Beach Drive and the private road known as the Diablo Canyon Access Road and extends along a private road known as the Lighthouse Road to the Point San Luis Lighthouse. The road easement is approximately 7,455 feet in length. See Figure 2. PG&E had previously allowed the Port access along the Lighthouse Road under a license agreement. Under the road easement, the Port and its agents would provide the public with escorted access to the Point San Luis Lighthouse. The form of the Lighthouse Road Easement is attached as Exhibit B.

#### The Deed Restriction on 1200 Acres To Prohibit Development.

Special Condition 3(c) of the Coastal Development Permit required PG&E to prohibit development on 1,200 acres of a coastal bluff in the vicinity of Point San Luis by means of a deed restriction. The location of the deed restriction area is identified in Figure 2 (the Deed Restriction Area.) The future use of the Deed Restriction Area will be limited to in open space and agriculture. PG&E will also implement sustainable agricultural practices and maintenance of existing public access (Pecho Coast Trail) within the Deed Restriction Area. The form of the deed restriction is attached as Exhibit C.

#### Land Conveyances To The Port.

As part of the approval process for the Coastal Development Permit, PG&E agreed at the hearings before the Coastal Commission to convey certain lands that immediately adjoin the Port's Harbor Terrace parcel, and to and work cooperatively with the Port to informally resolve property boundary issues related to the Port's Harbor Terrace property. This transaction involves the conveyance of 6.24 acres of PG&E's leasehold interest to the Port. The transaction will also include an additional 5.48 acres of land that PG&E does not have any leasehold or any other property interest, and which is owned by Eureka. In 2012, the Planning Commission for San Luis Obispo County approved a public lot application for the conveyance of these lands to the Port. The total size of this public lot is 11.72 acres and it is located approximately 6 miles from the plant site. See Figure 2, Detail A. The form of the grant deed for the land conveyance is attached as Exhibit D.

In addition, a construction access and drainage easement will be conveyed by Eureka to the Port. The construction access will provide the Port with temporary construction access associated with the development of the Port's Harbor Terrace parcel. The drainage easement will allow drainage from the Port's Harbor Terrace parcel onto Eureka's adjoining property. See Figure 2, Detail A. The form of the construction access and drainage easement is attached as Exhibit E.

As part of the informal resolution of property boundary issues with the Port, the Port will convey of approximately 1.1 acres of land to Eureka. In addition, the Port has

agreed to convey an easement to PG&E relating to the electric service line providing service to an emergency siren located on the 1.1 acres of land to be conveyed to Eureka.

In accordance with General Order (GO) 173, Rule 4, PG&E provides the following information related to the proposed transaction:

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

Pacific Gas and Electric Company	Port San Lucas Harbor District
Darren P. Roach	Attention: Steve McGrath,
Law Department	Harbor Manager
P.O. Box 7442	P.O. Box 249
San Francisco, CA 94120	Avila Beach, CA 93424
Telephone: (415) 973-6345	Telephone: (805) 595-5400 ext. 14
Facsimile: (415) 973-5520	E-mail: stevem@portsanluis.com
Email: DPRC@pge.com	

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

A legal description identifying the location of the land subject to the land conveyance, easements and deed restriction are set forth in each of the following agreements:

1. Easement Agreement (Road Easement to Port San Luis Harbor District), attached as Exhibit B.
2. Deed Restriction prohibiting development on 1200 acres, attached as Exhibit C.
3. Grant Deed from Eureka to Port San Luis Harbor District, attached as Exhibit D.
4. Construction Access and Drainage Easement Agreement (Construction Access and Drainage Easement to Port San Luis Harbor District), attached as Exhibit E.

**(c) Intended Use of the Property:**

The future use of the Deed Restriction Area will be limited to in open space and agriculture. The future use of the public lot that will be conveyed to the Port is currently unknown, and will be dependent on the Port's future development of the Port's Harbor Terrace parcel. The Port's use of the Lighthouse Road

easement will be consistent with its former use under license agreements to allow public access to the historic Point San Luis Lighthouse.

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

The conveyances of the land and easements to Port San Luis Harbor District are required as conditions of the Coastal Development Permit. The Port San Luis Harbor District will also convey 1.1 acres of land to Eureka and a siren easement to PG&E.

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

Not Applicable.

**(f) Statement on the Impact of the Transaction on Ratebase and Any Effect on the Ability of the Utility to Serve Customers and the Public:**

Not Applicable.

**(g) The Original Cost, Present Book Value, and Present Fair Market Value for Sales of Real Property and Depreciable Assets, and a Detailed Description of How the Fair Market Value Was Determined (e.g., Appraisal):**

Not Applicable.

**(h) The Fair Market Rental Value for Leases of Real Property, and a Detailed Description of How the Fair Market Rental Value Was Determined:**

Not Applicable.

**(i) For Fair Market Rental Value of the Easement or Right-of-Way and a Detailed Description of How the Fair Market Rental Value Was Determined:**

Not Applicable.

**(j) A 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:<sup>1</sup>**

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<sup>1</sup> During adoption of the Advice Letter pilot program in ALJ-186 (later followed by ALJ-202 and ALJ-244), this category of information was included to enable the CPUC to ensure that utilities were not seeking to circumvent the \$5 million Advice Letter threshold by dividing what is a single asset with a value of more than \$5 million into component parts each valued at less than \$5 million, which is clearly not the case here. (See CPUC Resolution ALJ-186, issued August 25, 2005, mimeo, p.5.)

Not Applicable.

**(k) Sufficient Information and Documentation (Including Environmental Review Information) to Indicate that All Criteria Set Forth in Rule 3 of General Order (“GO”) 173 are Satisfied:**

PG&E has provided information in this Advice Letter to satisfy the eligibility criteria under GO 173 in that:

- The activity proposed in the transaction will not require environmental review by the CPUC as a Lead Agency;
- The transaction will not have an adverse effect on the public interest or on the ability of PG&E to provide safe and reliable service to its customers at reasonable rates;
- The transaction will not materially impact the rate base of PG&E; and
- The transaction does not warrant a more comprehensive review that would be provided through a formal Section 851 application.

**(l) Additional Information to Assist in the Review of the Advice Letter:**

1. The 1,200 acre deed restriction is required as a condition of the Coastal Development Permit issued for the SGRP, and CEQA environmental review was performed for by another agency for that project.
2. The Port’s future use of the public lot is currently speculative and future development by the Port would be subject to environmental review at that time and will be performed by another agency, and not the CPUC.

**(m) Environmental Information**

Pursuant to GO 173, the Advice Letter program applies to proposed transactions that will not require environmental review by the CPUC as a lead agency under the California Environmental Quality Act (“CEQA”) either because: (a) a statutory or categorical exemption applies (the applicant must provide a notice of exemption from the Lead Agency or explain by an exemption applies), or (b) because the transaction is not a project under CEQA (the applicant must explain the reasons why it believes that the transaction is not a project), or (c) because another public agency, acting as the Lead Agency under CEQA, has completed environmental review of the project, and the Commission is required to perform environmental review of the project only as a Responsible Agency under CEQA.

**(1) Exemption**

- a. Has the proposed transaction been found exempt from CEQA by a government agency?

- i. If yes, please attach notice of exemption. Please provide name of agency, date of Notice of Exemption, and State Clearinghouse number.

Not Applicable

- ii. If no, does the applicant contend that the project is exempt from CEQA? If yes, please identify the specific CEQA exemption or exemptions that apply to the transaction, citing to the applicable State CEQA Guideline(s) and/or Statute(s).

Not Applicable

(2) Not a "Project" Under CEQA

If the transaction is not a "project" under CEQA, please explain why.

The transaction is not a project per Article 20 Section 15378(a) of CEQA, as there are no physical activities associated with the transaction.

(3) CPUC as a Responsible Agency under CEQA

If another public agency, acting as the Lead Agency under CEQA, has completed an environmental review of the project and has approved the final CEQA documents, and the Commission is a Responsible Agency under CEQA, the applicant shall provide the following.

- a. The name, address, and phone number of the Lead Agency, the type of CEQA document that was prepared (Environmental Impact Report, Negative Declaration, Mitigated Negative Declaration), the date on which the Lead Agency approved the CEQA document, the date on which a Notice of Determination was filed.

Not Applicable

- b. A copy of all CEQ documents prepared by or for the Lead Agency regarding the project and the Lead Agency's resolution or other document approving the CEQA documents.

Not Applicable

- c. A list of section and page numbers for the environmental impacts, mitigation measures, and findings in the prior

CEQA documents that relate to the approval sought from the Commission.

Not Applicable

- d. An explanation of any aspect of the project or its environmental setting which has changed since the issuance of the prior CEQA document.

Not Applicable

- e. A statement of whether the project will require approval by additional public agencies other than the Commission and the Lead Agency, and, if so, the name and address of each agency and the type of approval required.

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 20 days after the date of this filing, which is June 25, 2013. Protests should be mailed to:

CPUC Energy Division  
ED Tariff Unit  
505 Van Ness Avenue, 4<sup>th</sup> Floor  
San Francisco, California 94102

Facsimile: (415) 703-2200  
E-mail: EDTariffUnit@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 shall also be sent to PG&E either via E-mail or U.S. mail (and by facsimile, if possible) at the address shown below on the same date it is mailed or delivered to the Commission:

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

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

Any person (including individuals, groups, or organizations) may protest or respond to an advice letter (General Order 96-B, Rule 7.4). The protest shall contain the following information: specification of the advice letter protested; grounds for the protest; supporting factual information or legal argument; name, telephone number, postal address, and (where appropriate) e-mail address of the protestant; and statement that the protest was sent to the utility no later than the day on which the protest was submitted to the reviewing Industry Division (General Order 96-B, Rule 3.11).

### **Effective Date**

Pursuant to the review process outlined in GO 173, PG&E requests that this advice filing become effective as soon as possible, ideally by letter of approval from the Energy Division Director, if uncontested. PG&E submits this filing as a Tier 2.

### **Notice**

In accordance with General Order 96-B, Section IV, a copy of this advice letter is being sent electronically and via U.S. mail to parties shown on the attached list. Address changes to the General Order 96-B service list should be directed to e-mail PGETariffs@pge.com. For changes to any other service list, please contact the Commission's Process Office at (415) 703-2021 or at Process\_Office@cpuc.ca.gov. Send all electronic approvals to PGETariffs@pge.com. Advice letter filings can also be accessed electronically at: <http://www.pge.com/tariffs>.



Vice President – Regulatory Relations

Attachments

\*\*\*\*\* SERVICE LIST Advice 4235-E \*\*\*\*\*  
APPENDIX A

Karen Clopton  
Administrative Law Judge Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703-2008  
kvc@cpuc.ca.gov

Myra J. Prestidge  
Administrative Law Judge Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703-2629  
tom@cpuc.ca.gov

Jonathan Reiger  
Legal Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 355-5596  
jzr@cpuc.ca.gov

Mary Jo Borak  
Energy Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703-1333  
bor@cpuc.ca.gov

Edward Randolph  
Energy Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703-2083  
efr@cpuc.ca.gov

Brewster Fong  
Division of Ratepayer Advocates  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703- 2187  
bfs@cpuc.ca.gov

Andrew Barnsdale  
Energy Division  
505 Van Ness Avenue  
San Francisco, CA 94102  
(415) 703-3221  
bca@cpuc.ca.gov

\*\*\*\*\* AGENCIES \*\*\*\*\*

Port San Lucas Harbor District  
Attention: Steve McGrath, Harbor Manager  
P.O. Box 249  
Avila Beach, CA 93424  
(805) 595-5400 ext. 14  
stevem@portsanluis.com

# CALIFORNIA PUBLIC UTILITIES COMMISSION

## ADVICE LETTER FILING SUMMARY ENERGY UTILITY

MUST BE COMPLETED BY UTILITY (Attach additional pages as needed)

Company name/CPUC Utility No. **Pacific Gas and Electric Company (ID U39 E)**

Utility type:

ELC

GAS

PLC

HEAT

WATER

Contact Person: Igor Grinberg

Phone #: (415) 973-8580

E-mail: ixg8@pge.com and PGETariffs@pge.com

EXPLANATION OF UTILITY TYPE

(Date Filed/ Received Stamp by CPUC)

ELC = Electric

GAS = Gas

PLC = Pipeline

HEAT = Heat

WATER = Water

Advice Letter (AL) #: **4235-E**

Tier: **2**

Subject of AL: **Deed Restriction, Land Exchange and Grant of Easements To The Port San Luis Harbor District – Request for Approval Under Section 851**

Keywords (choose from CPUC listing): Compliance, Agreements

AL filing type:  Monthly  Quarterly  Annual  One-Time  Other \_\_\_\_\_

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

Does AL replace a withdrawn or rejected AL? If so, identify the prior AL: No

Summarize differences between the AL and the prior withdrawn or rejected AL: \_\_\_\_\_

Is AL requesting confidential treatment? If so, what information is the utility seeking confidential treatment for: No

Confidential information will be made available to those who have executed a nondisclosure agreement:  Yes  No

Name(s) and contact information of the person(s) who will provide the nondisclosure agreement and access to the confidential information: \_\_\_\_\_

Resolution Required?  Yes  No

Requested effective date: **Upon Approval**

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).

Tariff schedules affected: N/A

Service affected and changes proposed: N/A

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

Protests, dispositions, and all other correspondence regarding this AL are due no later than 20 days after the date of this filing, unless otherwise authorized by the Commission, and shall be sent to:

**California Public Utilities Commission**

**Energy Division**

**EDTariffUnit**

**505 Van Ness Ave., 4<sup>th</sup> Flr.**

**San Francisco, CA 94102**

**E-mail: EDTariffUnit@cpuc.ca.gov**

**Pacific Gas and Electric Company**

**Attn: Brian Cherry**

**Vice President, Regulatory Relations**

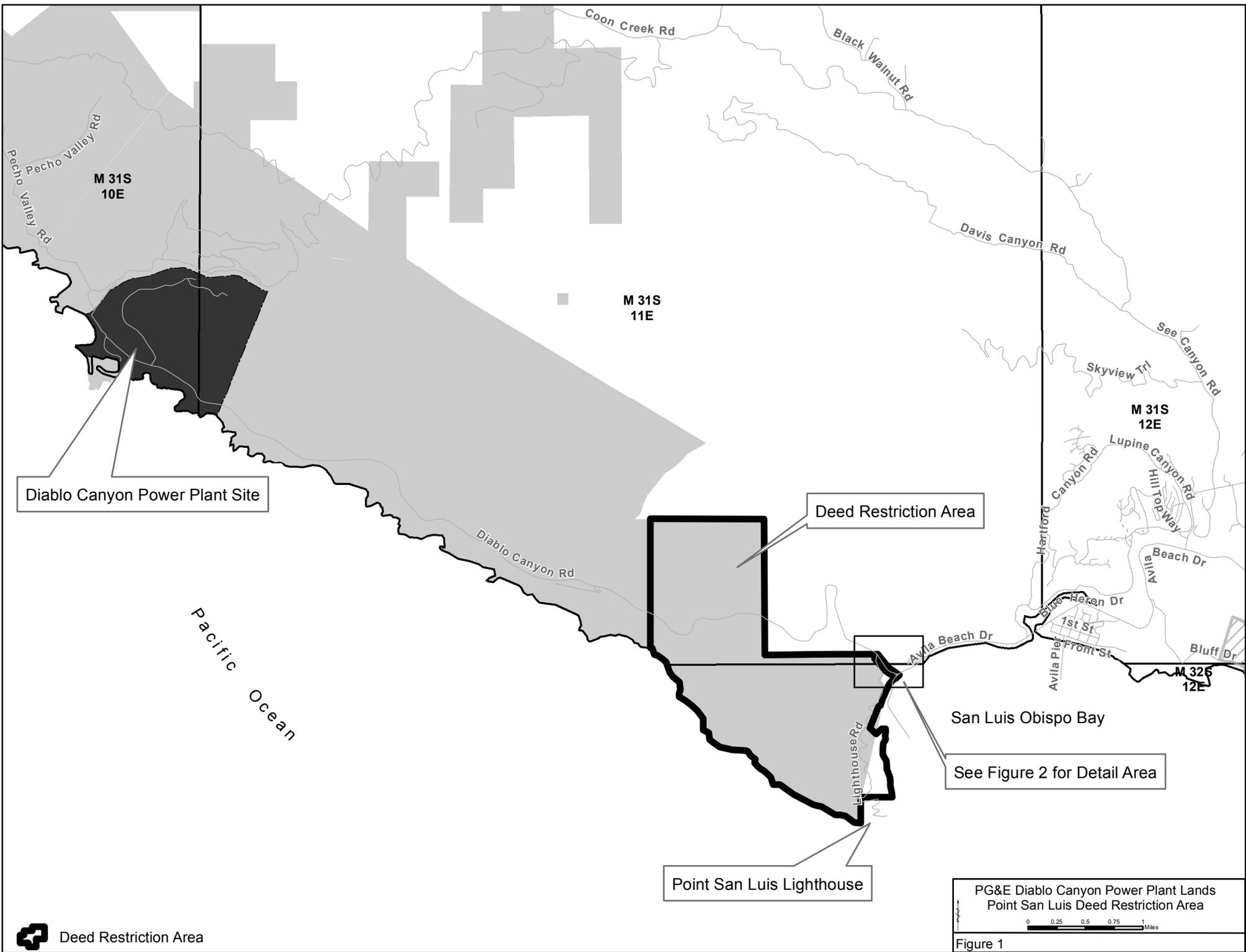
**77 Beale Street, Mail Code B10C**

**P.O. Box 770000**

**San Francisco, CA 94177**

**E-mail: PGETariffs@pge.com**

**Figure 1**




 Deed Restriction Area

**Figure 2**



**Exhibit A**

**Approval of a Coastal Development Permit (CDP No. E-06-011/A-3-SLO-06-017) from the California Coastal Commission**

**CALIFORNIA COASTAL COMMISSION**

45 FREMONT, SUITE 2000  
SAN FRANCISCO, CA 94105-2219  
VOICE AND TDD (415) 904-5200  
FAX (415) 904-5400



Page 1 of 6  
March 8, 2007  
Permit No. E-06-011 and  
A-3-SLO-06-017

**COASTAL DEVELOPMENT PERMIT**

On December 14, 2006, by a vote of 12-0, the California Coastal Commission granted to Pacific Gas and Electric Company (PG&E) Coastal Development Permit No. E-06-011 / A-3-SLO-06-017, subject to the attached standard and special conditions, for development consisting of:

Replacement of existing steam generators with new steam generators at the Diablo Canyon power plant.

The development is located approximately six miles north of Avila Beach, County of San Luis Obispo.

Issued on behalf of the Coastal Commission on March 8, 2007.

PETER DOUGLAS  
Executive Director

A handwritten signature in cursive script that reads "Alison Dettmer".

By: Alison Dettmer  
Manager  
Energy and Ocean Resources Unit

Acknowledgment:

The undersigned permittee acknowledges receipt of this permit and agrees to abide by all terms and conditions thereof.

The undersigned permittee acknowledges that Government Code Section 818.4, which states in pertinent part, that: "A public entity is not liable for injury caused by the issuance...of any permit..." applies to the issuance of this permit.

IMPORTANT: THE PERMIT IS NOT VALID UNLESS AND UNTIL A COPY OF THE PERMIT WITH THE SIGNED ACKNOWLEDGMENT HAS BEEN RETURNED TO THE COMMISSION OFFICE. (14 Cal. Admin. Code Section 13158(a).)

3-13-07  
Date

  
Signature of Permittee or Representative

### STANDARD CONDITIONS

1. **Notice of Receipt and Acknowledgment:** This permit is not valid until a copy of the permit is signed by the Permittee or authorized agent, acknowledging receipt of the permit and the acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration:** Construction activities for the proposed project must be initiated within two years of issuance of this permit. This permit will expire two years from the date on which the Commission approved the proposed project if development has not begun. Construction of the development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made at least six months prior to the expiration date.
3. **Interpretation:** Any questions of intent or interpretation of any condition will be resolved by the Executive Director of the Commission (hereinafter, "Executive Director") or the Commission.
4. **Assignment:** The permit may be assigned to any qualified person, provided the assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. **Terms and Conditions Run with the Land:** These terms and conditions shall be perpetual, and it is the intention of the Commission and the Permittee to bind all future owners and possessors of the subject property to the terms and conditions.

### SPECIAL CONDITIONS

1. **Submittal of Other Permits:** *Prior to starting project construction*, PG&E shall provide to the Executive Director a copy of permits and approvals needed for the project from the following:
  - a. County of San Luis Obispo – construction permits
  - b. California Department of Forestry/County Fire Department
  - c. California Regional Water Quality Control Board – Construction Stormwater Permit
  - d. California Department of Fish and Game
  - e. San Luis Obispo County Air Pollution Control District
  - f. County of San Luis Obispo Environmental Health Department
2. **Re-licensing, Decommissioning, or Other Changes to the Diablo Canyon Power Plant:** This permit does not authorize development activities associated with potential re-licensing, decommissioning, or changes to the power plant not described in permit submittals. PG&E shall submit a new coastal development permit application or amendment to this permit if such activities are proposed.

**3. Public Access Enhancements:**

- a. Funding For Access Enhancements: *Prior to permit issuance*,** PG&E shall provide documentation to the Executive Director showing that it has deposited \$1,830,000 into an escrow account or accounts approved by the Executive Director. PG&E has offered these funds to the County for the following access enhancements:
- i.** A contribution of \$700,000 for improvements to the Point San Luis Lighthouse Road as described in County Minor Use Permit D-02-0067.
  - ii.** A contribution of \$300,000 to remove barriers to coastal access or the equivalent amount in construction work. The primary purpose of these funds is to either move the DCPD security gate or move the entrance to the Pecho Coast Trail and access road so that trail users do not have to pass through the security gate to access the trail.
  - iii.** A contribution of \$150,000 to improve handicapped access to the Point San Luis Lighthouse.
  - iv.** A contribution of \$300,000 for design, permitting, and/or construction costs of a pedestrian and bicycle pathway between Avila Beach and Port San Luis.
  - v.** A contribution of \$380,000 for traffic control devices in Avila Beach.
- b. Lighthouse Road Access Easement:**
- i. *Within 12 months of permit issuance*,** PG&E shall prepare for Executive Director review and approval a stewardship plan for the access easement over the approximately 1.8-mile Lighthouse Road offered as part of the Steam Generator Replacement Project as shown on Exhibit 4. The Executive Director may extend this time period upon PG&E's request and showing of good cause. The plan shall be prepared in consultation with the Port San Luis Port District (Port District). The plan shall include the following:
    - A.** The access easement location and dimensions, along with a description showing that the easement would be consistent, at minimum, with the location and size requirements of the County LCP's access provisions;
    - B.** Planned or necessary access improvements, including those listed in Special Condition 3.a.i-ii above, along with a description showing that these improvements are consistent with the County LCP's access provisions;
    - C.** A description of allowed and prohibited methods of access. The primary purpose of the access easement is to allow public access to and along the Lighthouse Road to access the Point San Luis Lighthouse. The plan shall include a provision to ensure users of the accessway are not required to submit social security numbers or provide advanced notification;
    - D.** A description of the funding needed to maintain the accessway and the method that accessway maintenance will be funded.
  - ii. *Within 12 months of permit issuance*,** PG&E shall provide documentation to the Executive Director that it has recorded with the County conveyance of a perpetual easement deed to the Port District for this Lighthouse Road accessway and that the easement deed reflects all components of the stewardship plan approved by the

Executive Director. The Executive Director may extend this time period upon PG&E's request and showing of good cause. The easement deed shall be of a form and content approved by the Executive Director, free of prior encumbrances, except for tax liens, that the Executive Director determines may affect the interest being conveyed, and shall provide the public the right to use the dedicated route for access to and along the Lighthouse Road. The easement shall run with the land in favor of the State of California binding successors and assigns of the applicant or landowner.

**c. Point San Luis Deed Restriction:**

- i. *Within 12 months of permit issuance***, PG&E shall prepare for Executive Director review and approval a stewardship plan for the deed restriction over approximately 1200 acres around Point San Luis voluntarily offered by PG&E as part of the Steam Generator Replacement Project, as shown in PG&E's December 14, 2006 presentation to the Commission and as described in the attached March 2, 2007 letter from PG&E. The Executive Director may extend this time period upon PG&E's request and showing of good cause. The stewardship plan shall include the following:
  - A.** The deed restriction location and dimensions, along with a description showing that it would be consistent, at minimum, with the location and size requirements of the County LCP's easement and access provisions;
  - B.** Planned or necessary improvements, along with a description showing that these improvements are consistent with the County LCP's easement and access provisions;
  - C.** A description of permitted and prohibited methods of access and agricultural operations. The primary purpose of the deed restriction is to prohibit development that would detract from the public access experience along the Pecho Coast Trail, the Lighthouse Road, and the Point San Luis Lighthouse; and,
  - D.** A description of the funding needed to maintain the deed restriction and the method that maintenance will be funded.
  
- ii. *Within 12 months of permit issuance***, PG&E shall provide documentation to the Executive Director showing that it has recorded with the County a deed restriction in a form approved by the Executive Director. The Executive Director may extend this time period upon PG&E's request and showing of good cause. The deed restriction shall be recorded free of prior liens or encumbrances except as described in PG&E's March 2, 2007 letter. PG&E shall also provide documentation to the Executive Director showing that the deed restriction includes all conditions of the stewardship plan approved by the Executive Director and is consistent with the development limitations described in PG&E's March 2, 2007 letter.

4. **Marine Mammal Protection Plan: *Prior to steam generator delivery***, PG&E shall submit a marine mammal protection plan for review and approval by the Executive Director. The steam generator deliveries shall not occur before the Executive Director approves the plan. The plan shall describe measures that will be implemented to avoid "take" of marine mammals as defined in the Marine Mammal Protection Act. At minimum, the plan shall include the following:
  - a. A description of measures and procedures that will be used to avoid interactions with marine mammals during vessel movements within 1000 feet of the Diablo Cove breakwater;
  - b. Use of at least two NMFS-approved monitors when vessels are underway within 1000 feet of the Diablo Cove breakwater. The monitors shall be provided with unobstructed views from the vessels to allow them to detect nearby marine mammals. The monitors shall have the authority to direct vessel operators to take actions necessary to maintain a distance of at least 1,000 feet from detected marine mammals unless such actions would compromise the vessel's safety;
  - c. A description of reporting requirements of marine mammal sightings or any incidents that could be considered "take"; and,
  - d. A description of training that will be provided to project personnel on techniques to avoid harming or harassing marine mammals.
  
5. **Diablo Creek Habitat Protection and Enhancement: *No later than the start of commercial operation of the replacement steam generators***, PG&E shall cease withdrawing water from Diablo Creek. Upon PG&E's request, the Executive Director may, for good cause, extend the time during which PG&E may continue the water withdrawals.
  
6. **Spill Prevention and Response: *Prior to steam generator delivery***, PG&E shall submit documentation to the Executive Director showing that the vessels used for the steam generator deliveries are subject to a spill prevention and response plan that meets applicable requirements for such plans established by the California Department of Fish and Game Office of Spill Prevention and Response. The plan shall:
  - a) Describe the shoreline and marine resources at risk in the project area;
  - b) Identify specific equipment, training, and procedures that would be implemented during the steam generator deliveries to both prevent and respond to spills;
  - c) Identify primary spill responders in the area, nearby equipment available, and response times for those responders;
  - d) Include a vessel refueling plan to minimize the potential for fuel spills at sea; and,
  - e) Specify how PG&E will provide information about vessel locations and work schedules to the U.S. Coast Guard for inclusion in a Notice to Mariners so other vessels operating in the area will be able to avoid the project area during the deliveries.

**Exhibit B**

**Easement Agreement  
(Road Easement to Port San Luis Harbor District)**

**LD 2231-11-0134**

2007138 (22-07-090) 7 07 4

Road Easement to Port San Luis Harbor District  
Across Diablo Canyon Power Plant Property

RECORDING REQUESTED BY, AND  
WHEN RECORDED RETURN TO:

PACIFIC GAS AND ELECTRIC COMPANY  
Land Department  
4325 So. Higuera  
San Luis Obispo, CA 93401  
Attention: Claire Mastin

Location: City/Uninc \_\_\_\_\_

Recording Fee \$ \_\_\_\_\_

Document Transfer Tax \$ \_\_\_\_\_

- o Computed on Full Value of Property Conveyed, or
- o Computed on Full Value Less Liens & Encumbrances  
Remaining at Time of Sale
- o This is a conveyance where the consideration and value  
is less than \$100.00 (R&T 11911).

\_\_\_\_\_  
Signature of declarant or agent determining tax

(A portion of APN 076-171-018, &-019; 076-172-002,-020, &-021)

**EASEMENT AGREEMENT  
(Road Easement to Port San Luis Harbor District)**

This Easement Agreement (“**Agreement**”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the “**Effective Date**”) by EUREKA ENERGY COMPANY, a California corporation, hereinafter called “**Eureka**”, and the PORT SAN LUIS HARBOR DISTRICT, a harbor district formed pursuant to California Harbors and Navigation Code Section 6000 et seq., hereinafter called “**Grantee**.”

**RECITALS**

A. Eureka owns the portion of that certain real property within the County of San Luis Obispo, State of California, described as a 50-foot wide strip of land in **Exhibit A** and shown on **Exhibit B**, both of which are attached hereto and made a part hereof, lying partially within the boundary lines of the lands conveyed to Eureka Energy Company by Sheriff’s Deed recorded April 5, 1995 as Document Number 1995-014272 in the Official Records of San Luis Obispo County, and partially within the boundary lines of the parcels of land described and designated Area D and Area F in the deed from Grantee to Eureka (Eureka Document Number LD 2232-11-0047) dated

\_\_\_\_\_ and recorded as Document Number \_\_\_\_\_  
in the Official Records of San Luis Obispo County (hereinafter, the “**Property**”).

B. Grantee proposes to use and maintain the existing private road on the Property, commonly known as the Port San Luis Lighthouse Road, and a portion of another private road on the Property commonly known as the Diablo Canyon Power Plant Access Road, in connection with providing members of the public with controlled access to the Port San Luis Lighthouse. In connection therewith, Grantee has requested that Eureka grant an easement for the maintenance and use of said roads.

C. Eureka is willing to grant such easement on the terms and subject to the conditions set forth herein.

Now, therefore, for good and valuable consideration, Eureka and Grantee agree as follows:

1. Grant of Easement(s): Eureka hereby grants to Grantee, upon the terms and conditions set forth in this Agreement, the following easement:

Road Improvements, Grading and Support. A non-exclusive easement to excavate, install, construct, reconstruct, repair, replace, maintain and use road improvements, together with associated grading and support on and in the Property (the “**Easement Area**”) described in said Exhibit A and shown on said Exhibit B.

Underground Communications and Utilities. A non-exclusive easement to excavate, install, construct, reconstruct, repair, replace, maintain and use underground communications lines and appurtenant facilities and underground utilities and appurtenant facilities within the Easement Area. It is agreed that the underground communication lines and appurtenant facilities and underground utilities may require appurtenant facilities on the surface of the Easement Area. These surface appurtenant facilities are authorized by this Agreement subject to the prior approval of Eureka which approval shall not be unreasonably denied, conditioned or delayed. Notwithstanding anything to the contrary in this Agreement, Eureka shall not be obligated to approve surface appurtenant facilities if such facilities will interfere with its use and enjoyment of the Property.

2. Limitations on Use.

(a) The Easement Area, and any improvements permitted to be constructed thereon, are to be used by Grantee only for those uses permitted in Section 1 above, and for no other purpose.

(b) Grantee’s use of the Easement Area shall be limited to the purpose of controlled access. All access shall be authorized by Eureka and/or Grantee. Controlled access shall mean only those persons who have been specifically approved by Eureka or Grantee will be allowed access onto the Easement Area. Eureka, at its reasonable discretion, may restrict or deny Grantee’s use of the Easement Area for emergency or security purposes. A security gate currently controls access at the entrance to the Diablo Canyon Power Plant Access Road. Grantee shall

comply with security controls established at the service gates to prevent unauthorized access thereto.

(c) Except in designated turnarounds, parking is prohibited on the Easement Area. All smoking on the Easement Area and on any of Eureka's adjoining lands is prohibited. All animals, except for service dogs, are prohibited on the Easement Area. Grantee shall not use any water of Eureka on or adjacent to the Easement Area without Eureka's written consent.

(d) Grantee shall be allowed twenty (20) persons on the Easement Area during the permitted hours for maintenance of the roadway and associated facilities. Additional persons to enter the Easement Area for maintenance are subject to Eureka's written consent. Grantee shall be responsible for providing one properly trained supervisor for each crew at all times while on the Easement Area. Supervisors shall not allow any disorderly conduct on the Easement Area. Grantee shall be responsible for the conduct of supervisor(s), crew(s) and volunteers.

(e) Eureka reserves the right in its reasonable discretion to restrict access to the Easement Area or any portion or portions thereof in the event of fire, earthquake, storm, riot, civil disturbance, or other casualty or emergency, or in connection with Eureka's response thereto, or if emergency repairs or maintenance are required to any facilities within or in the vicinity of the Easement Area, or otherwise when Eureka deems it advisable to do so, including in connection with events and emergencies occurring or affecting the business operations of Eureka, its affiliates, subsidiaries, and parent company, located elsewhere than in the immediate vicinity of the Property.

(f) Grantee shall not erect or construct any building or other structure other than the road improvements specifically authorized by this Agreement.

(g) Grantee accepts the Easement Area in its existing physical condition, without warranty by Eureka or any duty or obligation on the part of Eureka to maintain the Easement Area. Grantee shall be solely responsible for the health and safety of, and shall take all necessary precautions to protect, its employees, contractors, consultants, agents and invitees, including, without limitation, the general public ("**Grantee's Representatives**").

3. Grantee's Covenants. Grantee hereby covenants and agrees:

(a) Maintenance of Improvements. Grantee agrees to construct and maintain, at no cost to Eureka, such improvements within the Easement Area ("**Improvements**") as may be necessary and appropriate for Grantee's permitted use, as specified in Section 1. Grantee shall provide all grading, filling, paving, and other maintenance required to keep said Easement Area in a usable and safe condition. The cost of repairs and maintenance of the Improvements shall be paid by Grantee.

(b) Compliance with Laws. Grantee 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, including, but not limited to, those relating to the generation, use, storage, handling, treatment, transportation or disposal of hazardous substances, or relating to the control of rodents, other vermin or noxious weeds on the Easement Area, or to health, safety, noise, environmental protection, air quality or water quality (collectively, "**Legal Requirements**"), insofar as they relate to the use or occupancy

of the Easement Area by Grantee. Grantee agrees to indemnify and hold Eureka harmless from any and all loss, expense and liability if Grantee is the cause of the presence of the aforementioned conditions on the Property. Grantee shall not cause or permit any hazardous substances to be discharged or disposed of on, or in the vicinity of the Property, except in compliance with all applicable Legal Requirements. Grantee shall, at its sole cost and expense, obtain all permits, authorizations or other approvals as may be required by any federal, state, and local governments having jurisdiction over the Property. Without limiting the generality of the foregoing, Grantee shall comply with the provisions of the Coastal Act, the San Luis Obispo County Local Coastal Plan, the Memorandum of Understanding Between California Coastal Commission and Pacific Gas and Electric Company Regarding the Establishment and Administration of the Pecho Coast Trail Accessway Management Plan dated May 30, 1989, as may be amended, Special Condition 3(b) of Coastal Development Permit Number E-06-011 / A-3-SLO-06-017, and the provisions of the Lighthouse Road Access Easement Stewardship Plan approved by the Executive Director of the Coastal Commission, which is incorporated herein by reference, and any amendments thereto that may be approved by the Executive Director of the Coastal Commission.

(c) Coordination. Grantee agrees to coordinate all activities regarding the easements granted herein to reasonably minimize any interference and inconvenience with the use by Eureka and its parent company of the Easement Area and Eureka's adjoining lands. Grantee expressly understands that the Property is adjacent to a major electric generating facility operated by Eureka's parent company, and Grantee will, as a covenant and a condition to this Agreement, cooperate with Eureka and abide by orders and instructions issued by Eureka and its designated employees and representatives. Specifically, Grantee agrees to comply immediately with any requirements, orders, rules, regulations, or decisions of any regulatory or governmental agency concerning or affecting the Property, the electric generating facility, or any such requirements, orders, rules or regulations, or decisions in any way connected therewith when notified or requested to do so by Eureka, its employees, agents or representatives.

(d) Non-Interference. Grantee agrees not to interfere in any way or permit any interference with the use of the Property by Eureka, its parent company and other entitled persons. Interference shall include, but not be limited to, any activity by Grantee that places any of the gas, electric or nuclear facilities maintained by Eureka, its affiliates, subsidiaries, or parent company in violation of any of the provisions of General Order Nos. 95 (Overhead Electric), 112E (Gas), and 128 (Underground Electric) of the California Public Utilities Commission or to any other Legal Requirements under which the operations of utility facilities are controlled or regulated.

(e) Natural and Cultural Resources. Grantee shall assure protection from disturbance or damage of known or unknown natural or cultural resources on the Property.

(f) Avoiding Dangerous Activities. Grantee agrees to conduct its activities and operations within and on the Easement Area in such a manner so as not to endanger the Property, utility facilities, the environment and human health and safety. Grantee shall avoid any adverse impacts on agriculture or grazing operations on the Property and Eureka's adjoining lands.

(g) Waste. Grantee, its agents, and assigns shall not commit or permit others to commit waste or a nuisance on the Property or any act that could disturb the quiet enjoyment of Eureka or any tenant of Eureka on adjoining property.

(h) Eureka Right to Cure. Grantee agrees that if Grantee fails to perform any act or other obligation on its part to be performed under Paragraphs 3(a) 3(b), 3(e) or 9, and such failure is not remedied within fifteen (15) days following notice from Eureka (or in the case of an emergency, following such notice, if any, as may be reasonably practicable under the existing circumstances), Eureka may (but without obligation to do so, and without waiving or releasing Grantee from any of its obligations) perform any such act or satisfy such obligation, or otherwise remedy such emergency or such failure on the part of Grantee. All costs incurred by Eureka in responding to or remedying such failure by Grantee shall be payable by Grantee to Eureka on demand.

4. Indemnification; Release.

(a) Grantee shall indemnify and hold harmless Eureka, its parent company, and their respective officers, agents and employees (collectively, "Indemnitees") from and against all claims, losses, damages and liabilities which arise from or are in any way connected with the occupancy or use of the Easement Area by Grantee or the exercise by Grantee of its rights hereunder, including, but not limited to, any loss, damage, expense or liability proximately caused by or contributed by the negligence, whether active or passive, of the Indemnitees, excepting only such loss, damage, expense or liability as may be caused by the sole negligence or willful misconduct of the Indemnitees.

(b) Grantee's use of the Property shall be at its sole risk and expense. Eureka shall not be liable to Grantee, its agents, employees or invitees for any loss, damage or liability for damages, whether for loss of or damage to property, injury to or death of persons, which shall arise out of or in any way be connected with Grantee's exercise of the rights herein, unless such loss, damage, injury or death shall be caused by the sole negligence or willful misconduct of Eureka.

(c) The provisions of this Section 4 shall survive the termination of this Agreement.

5. Additional Improvements. Grantee shall not install any additional facilities or improvements in, on, under or over the Easement Area without the prior written consent of Eureka, which consent may be granted or withheld in Eureka's sole and absolute discretion, and the prior consent, to the extent required by applicable law or regulation. Grantee shall submit plans for installation of any proposed additional facilities within the Easement Area to Eureka for its written approval at the address specified in Section 10.

6. Abandonment; Termination. In the event Grantee abandons the Improvements maintained hereunder, this Agreement shall terminate and all of the easements and other rights of Grantee hereunder shall revert to Eureka. The non-use of such Improvements for a continuous period of two (2) years shall be conclusive evidence of such abandonment. Upon any termination of this Agreement, Grantee shall remove, at no cost to Eureka, such of Grantee's Improvements installed pursuant to this Agreement as Eureka may specify. Upon any termination of this Agreement, Grantee shall execute, acknowledge and deliver to Eureka a quitclaim deed or such other documents or instruments, in a form reasonably acceptable to Eureka, as may be reasonably necessary to eliminate this Agreement as an encumbrance on the title to the Property or any larger parcel of property containing the Easement Area.

7. Reserved Rights. Eureka reserves the right to use the Easement Area for any and all purposes which will not unreasonably interfere with Grantee's facilities. Without limiting the generality of the foregoing:

(a) Eureka reserves the right to make use of the Easement Area for such purposes as it may deem necessary or appropriate, including the right to erect, install, replace, operate, maintain and use in and along the Easement Area such underground pipelines and conduits for any and all purposes, underground and overhead electric facilities, communication lines, such ditches and culverts and any and all other facilities that may, from time to time, be necessary in the conduct of business by Eureka, its affiliates, subsidiaries, and parent company.

(b) Grantee acknowledges that Eureka may have previously granted, and may in the future grant, certain rights in and across the Easement Area to others, and the use of the word "grant" in this Agreement shall not be construed as a warranty or covenant by Eureka that there are no such other rights.

(c) Grantee shall not make use of the Easement Area in any way which will be incompatible with the use of the Easement Area or Eureka's adjacent property, by Eureka or others entitled to use such property.

8. Insurance. Grantee shall procure and maintain in effect at all times during the term of the Agreement, the insurance specified in **Exhibit C**, attached hereto and made a part hereof by this reference, provided that Eureka reserves the right to review and modify from time to time the coverages and limits of coverage required hereunder, as well as the deductibles and/or self-insurance retentions in effect from time to time to provide coverages and limits that are commercially reasonable in light of the applicable circumstances (but Eureka agrees that it will not increase required coverage limits more often than once in any five-year period). All insurance required under this Agreement shall be effected under valid, enforceable policies issued by insurers of recognized responsibility, as reasonably determined by Eureka, and shall be written on forms and with insurance carriers acceptable to Eureka. For so long as Grantee is an agency or instrumentality of the United States of America, the State of California or any political subdivision thereof, then Grantee may elect to self-insure for any or all of the required coverage. If Grantee is permitted to self-insure hereunder and elects to do so, Grantee shall be liable to Eureka for the full equivalent of insurance coverage which would have been available to Eureka if all required insurance policies had been obtained by Grantee from a third party insurer, in the form required by this Agreement, and shall pay on behalf of or indemnify Eureka for all amounts which would have been payable by the third party insurer. In addition, Grantee shall act with the same promptness and subject to the same standards of good faith as would apply to a third party insurance company. Grantee is also responsible for causing its agents, contractors and subcontractors to comply with the insurance requirements of this Agreement at all relevant times (provided, however, that Grantee, in the exercise of its reasonable judgment, may permit contractors and subcontractors to maintain coverages and limits lower than those required of Grantee, provided the coverages and limits required by Grantee are commercially reasonable in light of applicable circumstances).

9. Mechanics' Liens. Grantee shall keep the Property free and clear of all mechanics', material suppliers' or similar liens, or claims thereof, arising or alleged to arise in connection with any work performed, labor or materials supplied or delivered, or similar activities performed by

Grantee or at its request or for its benefit. If any mechanics' liens are placed on the Property in connection with the activities or facilities set forth in this Agreement, Grantee shall promptly cause such liens to be released and removed from title, either by payment or by recording a lien release bond in the manner specified in California Civil Code Section 3143 or any successor statute.

10. 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 upon actual receipt by the party being sent the notice, or on the following business day if sent by overnight courier, or on the expiration of three (3) business days after the date of mailing.

If to Eureka:

**Claire Mastin**  
Land Services  
Pacific Gas and Electric Company  
4325 So. Higuera  
San Luis Obispo, CA 93401  
(805) 546-3888

With a copy to:

Pacific Gas and Electric Company  
P.O. Box 7442, Mail Code B3OA  
San Francisco, California 94120  
Attention: Grant Guerra

If to Grantee:

Port San Luis Harbor District  
P.O. Box 249  
Avila Beach, CA 93424  
Attention: Steve McGrath, Harbor Manager

With a copy to:

Thomas D. Green  
Adamski Moroski Madden & Green LLP  
P.O. Box 3835  
San Luis Obispo, CA 93403-3835

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

12. Entire Agreement. This Agreement 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 both parties.

13. 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.

14. Assignment. Grantee shall not assign, convey, encumber (other than as may be specifically permitted by the terms of this Agreement), or otherwise transfer the easements and other rights herein conveyed, or any portion thereof or interest herein, without the prior written consent of Eureka. Such consent may be given or withheld by Eureka for any reason or for no reason, provided, however, that notwithstanding the foregoing, Eureka agrees that its consent will not be unreasonably withheld, delayed or conditioned in the case of a proposed transfer to a governmental agency.

15. 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 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. The covenant in the preceding sentence is separate and several and shall survive the merger of this provision into any judgment on this Agreement.

16. 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.

17. No Dedication. Nothing contained in this Agreement shall be deemed to be a gift or dedication of land or rights to the general public. The right of the public or any person, including Grantee, to make any use whatsoever of the Easement Area or any portion thereof, other than as expressly permitted herein or as expressly allowed by a recorded map, agreement, deed or dedication, is by permission and is subject to the control of Eureka in its sole discretion.

18. No Third Party Beneficiary. This Agreement is solely for the benefit of the parties hereto and their respective successors and permitted assigns, and, except as expressly provided herein, does not confer any rights or remedies on any other person or entity.

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

20. 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.

21. 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.

22. 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.

23. 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 Eureka will not be required to take any action or execute any document that would result in any cost, expense or liability to Eureka.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.

EUREKA ENERGY COMPANY

PORT SAN LUIS HARBOR DISTRICT

By: \_\_\_\_\_  
John T. Conway  
President and Chief Executive Officer

By: \_\_\_\_\_

Attested \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

I hereby certify that a resolution was adopted on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by the \_\_\_\_\_ authorizing the acceptance of the foregoing grant of easement.

By \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Exhibits A, B and C attached

To the extent of its leasehold interest, PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereby consents to the foregoing grant of easement.

Dated \_\_\_\_\_, 20\_\_\_\_.

PACIFIC GAS AND ELECTRIC COMPANY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Exhibit "A"

**ACCESS EASEMENT**  
Legal Description

A 50.00 foot wide strip of land across Lot Z of the Rancho San Miguelito, in the County of San Luis Obispo, State of California as designated according to the plat entitled, "Part of the Rancho San Miguelito", filed in Book B, at Page 96 of Maps in the office of the Recorder for said County, lying 25.00 feet on each side of the following described centerline:

**Commencing** at a 1 inch iron pipe with tag stamped RCE 12748, being designated here as Point D, marking the most westerly corner of that portion of said Lot Z designated "Parcel 1" of the conveyance to Port San Luis Harbor District by Trustee's Deed, filed in Volume 2028, at Page 869 of Official Records in the office of the Recorder for said County as shown on that Record of Survey filed in Book 15, at Page 99 of Record of Surveys in the office of the Recorder for said County, and being South 52° 22' 49" West, 701.42 feet from a 1 inch iron pipe with tag stamped RCE 12,748 at the northern most angle point in the northerly boundary of said "Parcel 1" as shown on said Record of Survey filed in Book 15, at Page 99;

Thence, South 47° 27' 23" East, 975.29 feet to a 2 inch diameter iron pipe on the northern boundary of the Avila Beach Drive right-of-way as shown on the "Plans For Construction on Harford Drive", prepared May 6<sup>th</sup>, 1968 by the County of San Luis Obispo Design Division, filed as Document #1268 with the Public Works Department for said County, being the **True Point of Beginning**;

Thence, leaving the northern boundary of said Avila Beach Drive right-of-way, northerly, along a curve to the right with a radius of 194.74 feet from a radial bearing North 06° 19' 10" East, through a central angle of 25° 03' 46", an arc length of 85.19 feet;

Thence, North 58° 37' 04" West, 260.32 feet;

Thence, along a tangent curve to the right with a radius of 292.54 feet, through a central angle of 24° 28' 55", an arc length of 125.00 feet;

Thence, North 34° 08' 09" West, 574.60 feet;

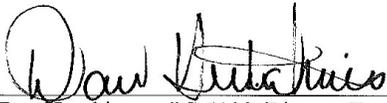
Thence, South 55° 51' 51" West, 73.78 feet to the centerline of that 30 foot wide access easement conveyed to the United States of America (U.S. Coast Guard) by Easement Deed, recorded October 10<sup>th</sup>, 1962, as filed in Volume 1205, at Page 561 of Official Records in the office of the Recorder for said County, and as shown on the map of said access easement filed in Book 14, at Page 108 of Record of Surveys in the office of the Recorder for said County;

Thence, southwesterly, along the various courses of the centerline of said access easement conveyed to the United States of America, 6335 feet to the northern boundary of that parcel of land conveyed to the United States of America by Indenture, dated May 20<sup>th</sup>, 1888, filed in Book 1, at Page 177 of Deeds in the office of the Recorder for said County, and shown on the Map thereof filed in Book 55, at Page 08 of Record of Surveys in the office of the Recorder for said County;

The sidelines of the herein above described 50 foot wide strip of land shall be lengthened and/or shortened to intersect each other at angle points and where the sidelines intersect property boundaries.

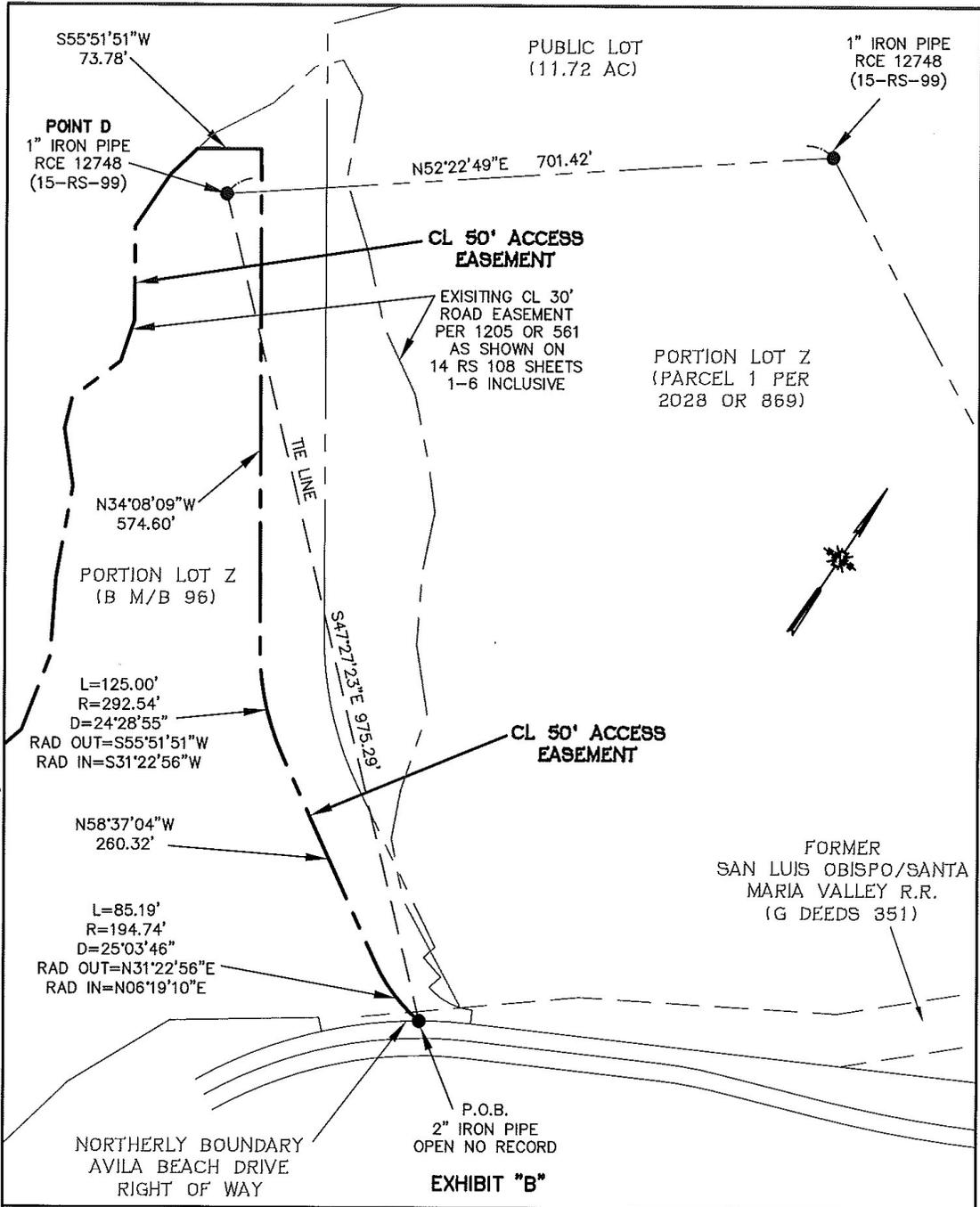
The bearings and distances described herein are based upon the California State Plane Coordinate System, Zone 5, North American Datum 1927 as shown on the map filed in Book 1, at Page 1 of Miscellaneous Maps in the office of the Recorder for said County, and the distances recited hereon are grid distances; to convert to ground distances multiply grid distances by 1.00005.

End Description

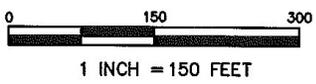
Prepared by:   
Dan Hutchinson, LS 5139 (License Expires 06/30/2013)

Date: SEPT. 26<sup>TH</sup>, 2012





F:\pro\2008\080709\Survey\Design\Construction Drawing\SU080709E0003-LEGAL LIGHT HOUSE ACCESS.dwg 9-28-12 08:42:36 AM mathbase



**PORT SAN LUIS HARBOR DISTRICT ACCESS EASEMENT**  
**PTN. RANCHO SAN MIGUELITO PER MAPS BK. B PG. 98**  
 COUNTY OF SAN LUIS OBISPO, CALIFORNIA

DRAWN BY	CHECKED BY	SCALE	DATE
BS	DSH	1" = 150'	09/25/2012

**EXHIBIT "B"**

## EXHIBIT C

### INSURANCE REQUIREMENTS

Grantee shall procure, carry and maintain in effect throughout the term of this Agreement the following insurance coverage. Grantee is also responsible for its subcontractors maintaining sufficient limits of the appropriate insurance coverages.

A. Workers' Compensation and Employers' Liability

1. Workers' Compensation insurance indicating compliance with any and all applicable labor codes, acts, laws or statutes, state or federal.
2. Employer's Liability insurance shall not be less than One Million Dollars (\$1,000,000) for injury or death, each accident.

B. Commercial General Liability

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Commercial General Liability insurance "occurrence" form with no additional coverage alterations.
2. The limits shall not be less than One Million Dollars (\$1,000,000) per occurrence and Two Million Dollars (\$2,000,000) aggregate for bodily injury, property damage and personal injury liability. Defense costs are to be provided outside the policy limits.
3. Coverage shall include: a) an "Additional Insured" endorsement (ISO Additional Insured form CG 2010 or equivalent coverage) adding as additional insureds Eureka, its affiliates, subsidiaries, and parent company, and Eureka's directors, officers, agents and employees with respect to liability arising out of work performed by or for Grantee. If the policy includes "blanket endorsement by contract," the following language added to the certificate of insurance will satisfy Eureka's requirement: "by blanket endorsement, Eureka, its affiliates, subsidiaries, and parent company, and Eureka's directors, officers, agents and employees with respect to liability arising out of the work performed by or for the Grantee are included as additional insured"; and b) an endorsement or policy provision specifying that the Grantee's insurance is primary and that any insurance or self-insurance maintained by Eureka shall be excess and non-contributing.

C. Business Auto

1. Coverage shall be at least as broad as the Insurance Services Office (ISO) Business Auto Coverage form covering Automobile Liability, code 1 "any auto."
2. The limit shall not be less than Two Million Dollars (\$2,000,000) each accident for bodily injury and property damage.

D. Additional Insurance Provisions

1. Upon the Effective Date of the Easement Agreement Grantee shall furnish Eureka with two (2) sets of certificates of insurance including required endorsements.
2. Documentation shall state that coverage shall not be canceled except after thirty (30) days prior written notice has been given to Eureka.
3. The documents must be signed by a person authorized by that insurer to bind coverage on its behalf and submitted to:

Pacific Gas and Electric Company  
Insurance Department  
245 Market Street, Mail Code N4S  
San Francisco, California 94105

Claire Mastin  
Land Services  
Pacific Gas and Electric Company  
4325 So. Higuera  
San Luis Obispo, CA 93401

4. Upon request, Grantee shall furnish Eureka evidence of insurance for its agents or contractors.

Eureka may inspect the original policies or require complete certified copies at any time.

**Exhibit C**

**Deed Restriction Prohibiting Development on 1200 Acres**

RECORDING REQUESTED BY AND

WHEN RECORDED RETURN TO:

CALIFORNIA COASTAL COMMISSION  
725 Front Street; Suite 300  
Santa Cruz, CA 95060-4508

ATTN: Legal Division

(SPACE ABOVE FOR RECORDER'S USE ONLY)

APN 076-171-014,-016,-018 and 019,  
and 076-172-020  
PG&E LD 2231-11-0135  
2008034 (03-07-051) 1 08 1

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### DEED RESTRICTION

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I. WHEREAS, EUREKA ENERGY COMPANY, a California corporation (hereinafter referred to as "Owner"), is the record owner of the real property described in EXHIBIT "A", attached hereto and incorporated herein by reference (hereinafter referred to as the "Property"); and

II. Whereas, the Property is subject to that certain unrecorded Lease dated September 17, 1966, as described in the Short form of Lease dated September 17, 1966 and recorded in Volume 1410 of Official Records at Page 556, San Luis Obispo County Records; and

III. Whereas, the Property is also subject to that certain unrecorded Lease dated December 26, 1968, as described in the Memorandum Lease dated December 26, 1968 and recorded in Volume 1506 of Official Records at Page 321, San Luis Obispo County Records; and

IV. Whereas, Owner is the successor-in-interest to the Lessor named in the aforementioned Leases; and

V. Whereas, Pacific Gas and Electric Company, a California corporation, (hereinafter referred to as "PG&E") is the successor-in-interest to the Lessee in the aforementioned Leases; and

VI. WHEREAS, Owner is a wholly-owned subsidiary of Pacific Gas and Electric Company; and

VII. WHEREAS, the California Coastal Commission (hereinafter referred to as the “Commission”) is a public agency created and existing under the authority of section 30300 of the California Public Resources Code (hereinafter referred to as the “PRC”), a section of the California Coastal Act of 1976 (Division 20 of the PRC; hereinafter referred to as the “Act”); and VIII. WHEREAS, the Property is located within the coastal zone as defined in the Act (PRC § 30103); and

IX. WHEREAS, pursuant to section 30600(a) of the PRC, PG&E applied to the Commission for a coastal development permit to undertake development, as defined in the Act (PRC § 30106), on the Property; and

X. WHEREAS, on December 14, 2006, the Commission granted Coastal Development Permit Number E-06-011 / A-3-SLO-06-017 (hereinafter referred to as the “Permit”), attached hereto as EXHIBIT “B” and incorporated herein by reference, subject to, among other conditions, the conditions listed under the heading “Special Conditions” in the above referenced Permit (hereinafter referred to as the “Special Conditions”) which requires Owner and PG&E to prohibit development on a portion of the Property, consisting of approximately 1,200 acres around Point San Luis that would detract from the public access experience along the Pecho Coast Trail, the Lighthouse Road, and the Point San Luis Lighthouse; and

XI. WHEREAS, the Commission found that, but for the imposition of the “Special Conditions” contained in the Permit, the proposed development could not be found consistent with the provisions of the Act and that a permit could therefore not have been granted; and

XII. WHEREAS, Owner has elected to comply with the “Special Conditions” which require, among other things, execution and recordation of this Deed Restriction, so as to enable PG&E to undertake the development authorized by the Permit; and

XIII. WHEREAS, the Property consists of parcels traversed by a trail used for public

recreation and access, and under the policy of section 30223 of the Public Resources Code, upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible; and

XIV. WHEREAS, under the policies of sections 30210 and 30212 of the Public Resources Code, public access through the coastal zone is to be maximized.

NOW, THEREFORE, in consideration of the issuance of the Permit to PG&E by the Commission, the undersigned Owner, for itself and for its assigns and successors-in-interest, hereby irrevocably covenants with the Commission that the Special Conditions shall at all times on and after the date on which this Deed Restriction is recorded constitute for all purposes covenants, conditions and restrictions on the use and enjoyment of the Property that are hereby attached to the deed to the Property as fully effective components thereof.

1. COVENANT, CONDITION AND RESTRICTION. The undersigned Owner, for itself and for its assigns and successors in interest, covenants and agrees that it shall prohibit development on approximately 1,200 acre portion of Property (hereinafter called “Deed Restricted Area”) more particularly described on EXHIBIT “C-1” attached hereto and made a part hereof, that would detract from the public access experience along the Pecho Coast Trail, the Lighthouse Road, and the Point San Luis Lighthouse which Deed Restricted Area, Trail, Road and Lighthouse are shown on EXHIBIT “C-2” attached hereto and made a part hereof; with exceptions for (i) the continuation of existing or similar agricultural production activities, as modified through implementation of the U.S. Departments of Agriculture and Interior Technical Reference 1734-6, titled, *Interpreting Indicators of Rangeland Health*, prepared jointly by the U.S. Department of Agriculture and Interior (2000) which shall apply to the extent agricultural operations as conducted on the Deed Restricted Area, (ii) certain road, trail and utility repair and maintenance activities, including activities necessary to preserve access to PG&E nuclear power

plant and associated switchyard and transmission and distribution facilities (collectively hereinafter referred to as the “Plant”), (iii) property maintenance, (iv) compliance with regulatory requirements to ensure continued Plant security and operations, and (v) any development approved by the Coastal Commission or Executive Director.

2. DURATION.

(a) This Deed Restriction shall remain in full force and effect and shall bind Owner and all its assigns or successors-in-interest during the period that either the development authorized by the Permit, or any part or modification thereof, or the Permit, or any modification or amendment thereof, remains in existence on or with respect to, and thereby confers benefit upon, the Property.

(b) Furthermore, in the event of a termination or extinguishment of this Deed Restriction other than pursuant to a Commission-approved amendment to the Permit, the “Special Conditions” shall, notwithstanding any such termination or extinguishment, continue to restrict the use and enjoyment of the Property as they did prior to that termination or extinguishment and to bind Owner and its successors in-interest, so long as either or both of the conditions described in paragraph (a) continue to exist on or with respect to the Property.

3. TAXES AND ASSESSMENTS. It is intended that this Deed Restriction is irrevocable and shall constitute an enforceable restriction within the meaning of a) Article XIII, section 8, of the California Constitution; and b) section 402.1 of the California Revenue and Taxation Code or successor statute. Furthermore, this Deed Restriction shall be deemed to constitute a servitude upon and burden to the Property within the meaning of section 3712(d) of the California Revenue and Taxation Code, or successor statute, which survives a sale of tax-deeded property.

4. RIGHT OF ENTRY. The Commission or its agent may enter onto the Property at times reasonably acceptable to Owner, accompanied by Owner's designated representative, to ascertain whether the use restrictions set forth above are being observed.

5. REMEDIES. Any act, conveyance, contract, or authorization by Owner whether written or oral that uses or would cause to be used or would permit use of the Property contrary to the terms of this Deed Restriction and that is not cured within thirty (30) days after receipt of written notice thereof will be deemed a violation and a breach of this Deed Restriction. The Commission and Owner may pursue any and all available legal and/or equitable remedies to enforce the terms and conditions of this Deed Restriction. In the event of a breach, any forbearance on the part of either party to enforce the terms and provisions hereof shall not be deemed a waiver of enforcement rights regarding any subsequent breach.

6. NOTICES. All notices, demands, requests, consents, approvals, waivers, releases, modifications, terminations or other communications relating to this Deed Restriction shall be in writing and shall be deemed effective: 1) when delivered or upon refusal of delivery, if personally delivered to the person being served or official of a government agency being served, or 2) three business days after deposit in the mail if mailed by United States mail, postage paid certified, return receipt requested:

To Owner:  
EUREKA ENERGY COMPANY  
C/o Pacific Gas and Electric Company  
245 Market Street, 10th Floor  
P.O. Box 770000, Mail Code N10A  
San Francisco, California 94177  
Attention: Land Rights Supervisor

With concurrent copies to:

Pacific Gas and Electric Company  
P.O. Box 7442, Mail Code B30A  
San Francisco, California 94120  
Attention: Grant Guerra

and to:

Pacific Gas and Electric Company  
Diablo Canyon Power Plant  
P. O. Box 56  
Avila Beach, California 93424  
Attention: Plant Manager

To the Commission:  
California Coastal Commission  
45 Fremont, Suite 2000  
San Francisco, CA 94105-2219  
Attention: Energy and Ocean Resources

7. SEVERABILITY. If any provision of these restrictions is held to be invalid, or for any reason becomes unenforceable, no other provision shall be affected or impaired.

Dated: \_\_\_\_\_, 20\_

OWNER:

EUREKA ENERGY COMPANY  
a California corporation

By: \_\_\_\_\_

Name:

Title:

Attested \_\_\_\_\_

State of California)  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_  
Here insert name and title of the officer

personally appeared \_\_\_\_\_  
\_\_\_\_\_

who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

(Seal)

**CAPACITY CLAIMED BY SIGNER**

- Individual(s) signing for oneself/themselves
- Corporate Officer(s) of the above named corporation(s)
- Trustee(s) of the above named Trust(s)
- Partner(s) of the above named Partnership(s)
- Attorney(s)-in-Fact of the above named Principal(s)
- Other \_\_\_\_\_

State of California)  
County of \_\_\_\_\_)

On \_\_\_\_\_, before me, \_\_\_\_\_  
Here insert name and title of the officer

personally appeared \_\_\_\_\_

\_\_\_\_\_ ,  
who 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.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

\_\_\_\_\_  
Signature of Notary Public

(Seal)

**CAPACITY CLAIMED BY SIGNER**

- Individual(s) signing for oneself/themselves
- Corporate Officer(s) of the above named corporation(s)
- Trustee(s) of the above named Trust(s)
- Partner(s) of the above named Partnership(s)
- Attorney(s)-in-Fact of the above named Principal(s)
- Other \_\_\_\_\_

This is to certify that the deed restriction set forth above is hereby acknowledged by the undersigned officer on behalf of the California Coastal Commission pursuant to authority conferred by the California Coastal Commission when it granted Coastal Development Permit No. E-06-0 11 / A-3-SLO-06-0I7, on December 14,2006, and the California Coastal Commission consents to recordation thereof by its duly authorized officer.

Dated: \_\_\_\_\_

CALIFORNIA COASTAL COMMISSION

\_\_\_\_\_  
JOHN BOWERS, Staff Counsel

STATE OF CALIFORNIA

COUNTY OF SAN FRANCISCO

On \_\_\_\_\_, before me, \_\_\_\_\_, a Notary Public personally appeared JOHN BOWERS, 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 \_\_\_\_\_

## **EXHIBIT "A"**

### **LEGAL DESCRIPTION OF OWNER'S REAL PROPERTY**

#### **LEGAL DESCRIPTION**

Real property in the unincorporated area of the County of SAN LUIS OBISPO, State of California, described as follows:

LOTS W AND Z OF THE RANCHO SAN MIGUELITO, IN THE COUNTY OF SAN LUIS OBISPO, STATE OF CALIFORNIA, ACCORDING TO PLAT OF THE RANCHO SAN MIGUELITO, SAN LUIS OBISPO COUNTY, OWNED BY J. HARFORD, AND RECORDED MAY 29, 1880 IN BOOK B PAGE 96 OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

EXCEPTING FROM SAID LOT Z, 30.00 ACRES, MORE OR LESS, CONVEYED TO THE UNITED STATES OF AMERICA, BY DEED RECORDED IN BOOK 1 PAGE 177 OF DEEDS, RECORDS OF SAID COUNTY.

ALSO EXCEPTING FROM LOT Z, 20.00 ACRES, MORE OR LESS, CONVEYED TO THE UNION OIL COMPANY OF CALIFORNIA, A CORPORATION, BY DEED RECORDED IN BOOK 69 PAGE 22 OF DEEDS, RECORDS OF SAID COUNTY.

ALSO EXCEPTING FROM LOT Z, THAT CERTAIN PARCEL OF LAND CONVEYED TO ANGELA L. MARRE, BY DEED RECORDED IN BOOK 96 PAGE 460 OF OFFICIAL RECORDS.

ALSO EXCEPTING FROM LOT Z, THAT CERTAIN PARCEL OF LAND CONVEYED TO PORT SAN LOUIS HARBOR DISTRICT BY DEED RECORDED IN BOOK 1339 PAGE 714 OF OFFICIAL RECORDS.

ALSO EXCEPTING FROM LOT Z, THAT CERTAIN PARCEL OF LAND CONVEYED TO PORT SAN LOUIS HARBOR DISTRICT BY DEED RECORDED IN BOOK 1806 PAGE 771 OF OFFICIAL RECORDS.

ALSO EXCEPTING FROM LOT Z, THAT CERTAIN PARCEL OF LAND CONVEYED TO PORT SAN LOUIS HARBOR DISTRICT BY DEED RECORDED IN BOOK 1970 PAGE 517 OF OFFICIAL RECORDS.

ALSO EXCEPTING FROM LOT Z, THAT CERTAIN PARCEL OF LAND CONVEYED TO PORT SAN LOUIS HARBOR DISTRICT BY DEED RECORDED IN BOOK 2028 PAGE 869 OF OFFICIAL RECORDS.

**EXHIBIT "B"**

**COASTAL DEVELOPMENT PERMIT NO. A-3-SLO--06-017  
Granted on December 14, 2006 and  
Issued on March 8, 2007**

**Exhibit C-1**  
**LEGAL DESCRIPTION OF DEED RESTRICTION AREA**

(APN 076-171-014,-016,-018, &-019; 076-172-020)

The parcel of land situate in the unincorporated area of the County of San Luis Obispo, State of California, described as follows:

The parcel of land bounded on the general northerly side by:

(i) the northerly boundary line of Lot Z of the Rancho San Miguelito, as said Lot Z is shown upon the plat of the Rancho San Miguelito, San Luis Obispo County, owned by J. Harford, filed for record May 29, 1880 in Book B of Maps at page 96, San Luis Obispo County Records; and

(ii) the easterly and northerly boundary lines of Lot W of the Rancho San Miguelito, as said Lot W is shown upon said map filed for record in Book B of Maps at page 96. Bounded on the westerly side by:

(iii) the line which is parallel with and distant 3,547 feet westerly from (measured at a right angle to) the easterly boundary line of said Lot W; Bounded on the southwesterly side by:

(iv) the southwesterly boundary line of the parcel of land described and designated PARCEL L in the Assignment of Lease from John F. Ready, as trustee, to Pacific Gas and Electric Company dated July 28, 1980 and recorded in Book 2258 of Official Records at page 67, San Luis Obispo County Records, said southwesterly boundary line being also the high-tide line of the Pacific Ocean; and bounded on the general easterly side by:

(v) the westerly and northerly boundary lines of the 30 acre parcel of land conveyed by John Harford and wife to United States of America by deed dated May 28, 1888 and recorded in Book 1 of Deeds at page 177, San Luis Obispo County Records;

(vi) the boundary line established and described in the San Luis Obispo Bay Boundary Agreement by and between the State of California, acting by and through the State Lands Commission, the Port San Luis Harbor District, and other third parties, dated March 26, 1970 and recorded in Book 1563 of Official Records at page 588, San Luis Obispo County Records;

(vii) the southerly boundary line of PARCEL 3, as said PARCEL 3 is shown upon Parcel Map No. COAL-74-343 filed for record February 27, 1975 in Book 17 of Parcel Maps at page 30, San Luis Obispo County Records;

(viii) the southerly, westerly, and northerly boundary lines of PARCEL 2, as said PARCEL 2 is shown upon said parcel map filed for record in Book 17 of Parcel Maps at page 30;

(ix) the westerly boundary line of PARCEL 1, as said PARCEL 1 is shown upon Sheet 2 of the Record of Survey filed for record October 5, 1964 in Book 14 of Licensed Surveys at page 33, San Luis Obispo County Records, said westerly boundary line being also the westerly boundary line of the street commonly known as Avila Beach Drive;

(x) the southerly, westerly and northwesterly boundary lines of the parcel of land described in EXHIBIT A attached to the Purchase Agreement between Luigi Marre Land & Cattle Company and the Port San Luis Harbor District dated November 4, 1976 and recorded in Book 1937 of Official Records at page 891, San Luis Obispo County Records;

(xi) the northeasterly prolongation of the course forming the northwesterly boundary line of the parcel of land described in EXHIBIT A attached to said Purchase Agreement dated November 4, 1976, which course according to the description contained in said EXHIBIT A has a bearing of North 56°00'00" East and a length of 43.97 feet;

(xii) the southwesterly boundary line of the parcel of land conveyed by John F. Ready, as trustee, to Port San Luis Harbor District by deed dated November 22, 1977 and recorded in Book 2028 of Official Records at page 869, San Luis Obispo County Records, and therein designated PARCEL 1; and

(xiii) the line which has a bearing of N9°05 '21" E and a length of 249.31 feet shown upon the Record of Survey filed for record March 20, 1967 in Book 15 of Record of Surveys at page 99, San Luis Obispo County Records, and its northerly prolongation.

**EXCEPTING THEREFROM:**

(a) the portion thereof lying within the boundary lines of the parcel of land described in EXHIBIT "B" attached to the Easement Agreement by and between Luigi Marre Land and Cattle Company and others dated November 24, 1969 and recorded in Book 1544 of Official Records at page 738, San Luis Obispo County Records;

(b) the portion thereof lying within the boundary lines of a strip of land of the uniform width of 32 feet lying 16 feet on each side of the center line described in the portion of EXHIBIT A entitled "DESCRIPTION OF PARCEL R" attached to said Assignment of Lease from John F. Ready, as trustee, to Pacific Gas and Electric Company dated July 28, 1980 and recorded in Book 2258 of Official Records at page 67, San Luis Obispo County Records; and

(c) the portions thereof lying within the boundary lines of the road easement conveyed by Eureka Energy Company to Port San Luis Harbor District by deed dated \_\_\_\_, 2008 and recorded as Recorder's Serial No. \_\_\_\_\_, in the Official Records of San Luis Obispo County.



**Exhibit D**

**Grant Deed from Eureka to Port San Luis Harbor District**

RECORDING REQUESTED BY AND RETURN TO:

**PORT SAN LUIS HARBOR DISTRICT**  
**P.O Box 249**  
**Avila Beach, California 93424**

Location: City/Uninc \_\_\_\_\_

Recording Fee \$ \_\_\_\_\_

Document Transfer Tax \$ \_\_\_\_\_

- This is a conveyance where the consideration and Value is less than \$100.00 (R&T 11911).
- Computed on Full Value of Property Conveyed, or
- Computed on Full Value Less Liens & Encumbrances Remaining at Time of Sale

\_\_\_\_\_  
Signature of declarant or agent determining tax

(SPACE ABOVE FOR RECORDER'S USE ONLY)

**LD 2231-11-0148**

**DEED**

2012409 (22-07-090) 9 12 2

### GRANT DEED

EUREKA ENERGY COMPANY, a California corporation, hereby grants to PORT SAN LUIS HARBOR DISTRICT, a harbor district formed pursuant to California Harbors and Navigation Code Section 6000 et seq., the real property, situate in the unincorporated area of the County of San Luis Obispo, State of California, described as follows:

(Portion of APN 076-171-018, -021; 076-172-019, -022)

The parcels of land described and designated Area A, Area B and Area C in Exhibit "A" and shown as "AREA A", "AREA B" and "AREA C" on EXHIBIT "B", both of which are attached hereto and made a part hereof.

Dated \_\_\_\_\_, 20\_\_\_\_.

EUREKA ENERGY COMPANY,  
a California corporation

By: \_\_\_\_\_  
John T. Conway  
President and Chief Executive Officer

Attested \_\_\_\_\_

Exhibit "A"

**PUBLIC LOT**  
Legal Description

**An irregular shape parcel of land designated here as Area A being;**

A portion of Lot Z of the Rancho San Miguelito, in the County of San Luis Obispo, State of California as designated according to the plat entitled, "Part of the Rancho San Miguelito", filed in Book B, at Page 96 of Maps in the office of the Recorder for said County, and Parcel "B" of Public Lot 80-50 as adopted by the Board of Supervisors of said County on June 2, 1980, more particularly described as follows:

**Beginning** at a 5/8 inch diameter rebar with cap stamped RCE 12,545 designated here as **Point A** marking the corner common to Lots X, Y and Z as shown on that Record of Survey filed in Book 38, at Page 37 of Record of Surveys in the office of the Recorder for said County;

Thence, along the easterly boundary of Lot X as shown on said Record of Survey, North 01° 19' 05" East, 469.61 feet to the northeast corner of said Parcel "B";

Thence, leaving the easterly boundary of said Lot X, along the northern boundary of said Parcel "B", North 88° 40' 55" West, 150.00 feet to a rebar with cap stamped RCE 12,545 as shown on said Record of Survey;

Thence, along the northwestern boundary of said Parcel "B", South 62° 29' 24" West, 531.94 feet to a rebar with cap stamped RCE 12,545 as shown on said Record of Survey;

Thence, continue along the northwestern boundary of said Parcel "B", South 41° 31' 46" West, 279.82 feet to the western most corner of said Parcel "B" at the northern boundary of said Lot Z as projected westerly shown on said Record of Survey filed in Book 38, at Page 37 of Record of Surveys;

Thence, leaving the northwestern boundary of said Parcel "B", and continue the projection thereof, South 41° 31' 46" West, 177.54 feet;

Thence, South 34° 00' 00" East, 186.40 feet to the northwesterly boundary of that portion of Lot Z designated "Parcel 1" of the conveyance to Port San Luis Harbor District by Trustee's Deed, filed in Volume 2028, at Page 869 of Official Records in the office of the Recorder for said County at a point that bears North 52° 22' 49" East, 115.36 feet from the most westerly corner of said "Parcel 1" marked by a 1 inch iron pipe with tag stamped RCE 12,748 as shown on that Record of Survey filed in Book 15, at Page 99 of Record of Surveys in the office of the Recorder for said County;

Thence, along the northwesterly boundary of "Parcel 1" of said conveyance to the Port San Luis Harbor District, North 52° 22' 49" East, 586.06 feet to an angle point thereon marked by a 1 inch iron pipe with tag stamped RCE 12,748 as shown on said Record of Survey filed in Book 15, at Page 99 of Record of Surveys;

Thence, along the northerly boundary of said "Parcel 1", South 62° 16' 57" East, 444.74 feet to an angle point thereon marked by a 1 inch iron pipe with tag stamped RCE 12,748 as shown on said Record of Survey filed in Book 15, at Page 99 of Record of Surveys;

Thence, continue along the northerly boundary of said "Parcel 1", South 79° 43' 45" East, 730.32 feet to an angle point thereon marked by a 1 inch iron pipe with tag stamped RCE 12,748 as shown on that Record of Survey filed in Book 15, at Page 99 of Record of Surveys in the office of the Recorder for said County;

Thence, South 33° 38' 01" West, 31.57 feet to the northern boundary of that 60 foot wide strip of land conveyed to the San Luis Obispo and Santa Maria Valley Railroad Company by Indenture, filed in Book G, at Page 351 of Deeds in the office of the recorder for said County as shown on said Record of Survey filed in Book 15, at Page 99 of Record of Surveys;

Thence, leaving the boundary of said Parcel 1, along the northern boundary of said 60 foot wide strip of land conveyed to the San Luis Obispo and Santa Maria Valley Railroad Company as designated in the description of "Parcel 3" of said conveyance to the Port San Luis Harbor District by Trustee's Deed, filed in Volume 2028, at Page 869 of Official Records, North 75° 18' 16" East, 123.95 feet to the westerly terminus of that course "N 75° 18' 16" E, 49.53 feet" described therein and being shown on sheet 4 of those maps filed in Book 14, at Page 33 of Record of Surveys in the office of the Recorder for said County;

Thence, along the northern boundary of said 60 foot wide strip of land conveyed to the San Luis Obispo and Santa Maria Valley Railroad Company as designated in the description of "Parcel 1" of that Corporate Grant Deed Recorded March 2<sup>nd</sup>, 1965, filed in Volume 1339, at Page 714 of Official Records in the office of the Recorder for said County and shown on said maps filed in Book 14, at Page 33 of Record of Surveys, North 75° 18' 00" East, 49.53 feet;

Thence, continue along the northern boundary of said 60 foot wide strip of land conveyed to the San Luis Obispo and Santa Maria Valley Railroad Company as designated in the description of "Parcel 1" of said Corporate Grant Deed Recorded March 2<sup>nd</sup>, 1965, North 60° 48' 00" East, 38.84 feet;

Thence, North 55° 48' 16" East, 195.35 feet;

Thence, North 44° 18' 16" East, 103.19 feet;

Thence, North 68° 48' 16" East, 6.07 feet to the northern boundary of said Lot Z as projected easterly on said Record of Survey filed in Book 38, at Page 37 of Record of Surveys;

Thence, leaving the northern boundary of said 60 foot wide strip of land conveyed to the San Luis Obispo and Santa Maria Valley Railroad Company as designated in the description of "Parcel 1" of said Corporate Grant Deed Recorded March 2<sup>nd</sup>, 1965, along the northern boundary of said Lot Z as projected on said Record of Survey filed in Book 38, at Page 37 of Record of Surveys, North 88° 43' 23" West, 1187.06 feet to the Point of Beginning.

The land area of the herein above described Area A contains: 11.72 acres;

**And, a triangular shape portion of Public Lot designated here as Area B being;**

A portion of Lot Z of the Rancho San Miguelito, in the County of San Luis Obispo, State of California as designated according to the plat entitled, "Part of the Rancho San Miguelito", filed in Book B, at Page 96 of Maps in the office of the Recorder for said County, more particularly described as follows:

Commencing from a 1 inch iron pipe with tag stamped RCE 12748 marking the most westerly corner of that portion of said Lot Z designated "Parcel 1" of the conveyance to Port San Luis Harbor District by Trustee's Deed, filed in Volume 2028, at Page 869 of Official Records in the office of the Recorder for said County as shown on that Record of Survey filed in Book 15, at Page 99 of Record of Surveys in the office of the Recorder for said County, and being South 52° 22' 49" West, 701.42 feet from a 1 inch iron pipe with tag stamped RCE 12,748 at the northern most angle point in the northerly boundary of said "Parcel 1" as shown on said Record of Survey filed in Book 15, at Page 99;

Thence, along the northerly boundary of said "Parcel 1", North 52° 22' 49" East, 115.36 feet;

Thence, leaving the northerly boundary of said "Parcel 1", South 34° 00' 00" East, 148.50 feet to the southwesterly boundary of said "Parcel 1", and the **True Point of Beginning of Area B being designated here as Point B;**

Thence, along the southwesterly boundary of said "Parcel 1", South 83° 43' 14" East, 20.60 feet;

Thence, continue along the southwesterly boundary of said "Parcel 1", South 5° 29' 54" East, 32.93 feet;

Thence, leaving the southwesterly boundary of said "Parcel 1", North 34° 00' 00" West, 42.26 feet to said Point B;

The land area of the herein above described Area B contains: 331.99 square feet (0.008 acres);

**And, a triangular shape portion of Public Lot designated here as Area C being;**

A portion of Lot Z of the Rancho San Miguelito, in the County of San Luis Obispo, State of California as designated according to the plat entitled, "Part of the Rancho San Miguelito", filed in Book B, at Page 96 of Maps in the office of the Recorder for said County, more particularly described as follows:

Commencing from a 1 inch iron pipe with tag stamped RCE 12748 marking the most westerly corner of that portion of said Lot Z designated "Parcel 1" of the conveyance to Port San Luis Harbor District by Trustee's Deed, filed in Volume 2028, at Page 869 of Official Records in the office of the Recorder for said County as shown on that Record of Survey filed in Book 15, at Page 99 of Record of Surveys in the office of the Recorder for said County, and being South 52° 22' 49" West, 701.42 feet from a 1 inch iron pipe with tag stamped RCE 12,748 at the northern most angle point in the northerly boundary of said "Parcel 1" as shown on said Record of Survey filed in Book 15, at Page 99;

Thence, along the northerly boundary of said "Parcel 1", North 52° 22' 49" East, 115.36 feet;

Thence, leaving the northerly boundary of said "Parcel 1", South 34° 00' 00" East, 431.51 feet to the southwesterly boundary of said "Parcel 1", and the **True Point of Beginning of Area C being designated here as Point C;**

Thence, along the southwesterly boundary of said "Parcel 1", South 46° 44' 58" East, 64.93 feet;

Thence, continue along the southwesterly boundary of said "Parcel 1", South 2° 17' 57" West, 24.20 feet;

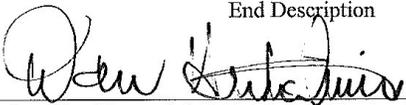
Thence, leaving the southwesterly boundary of said "Parcel 1", North 34° 00' 00" West, 82.83 feet to said Point C;

The land area of the herein above described Area C contains: 593.41 square feet (0.014 acres);

The total land area of the herein above described Public Lot consisting of Areas A, B and C contains: 11.74 acres;

The bearings and distances described herein are based upon the California State Plane Coordinate System, Zone 5, North American Datum 1927 as shown on the map filed in Book 1, at Page 1 of Miscellaneous Maps in the office of the Recorder for said County, and the distances recited hereon are grid distances; to convert to ground distances multiply grid distances by 1.00005.

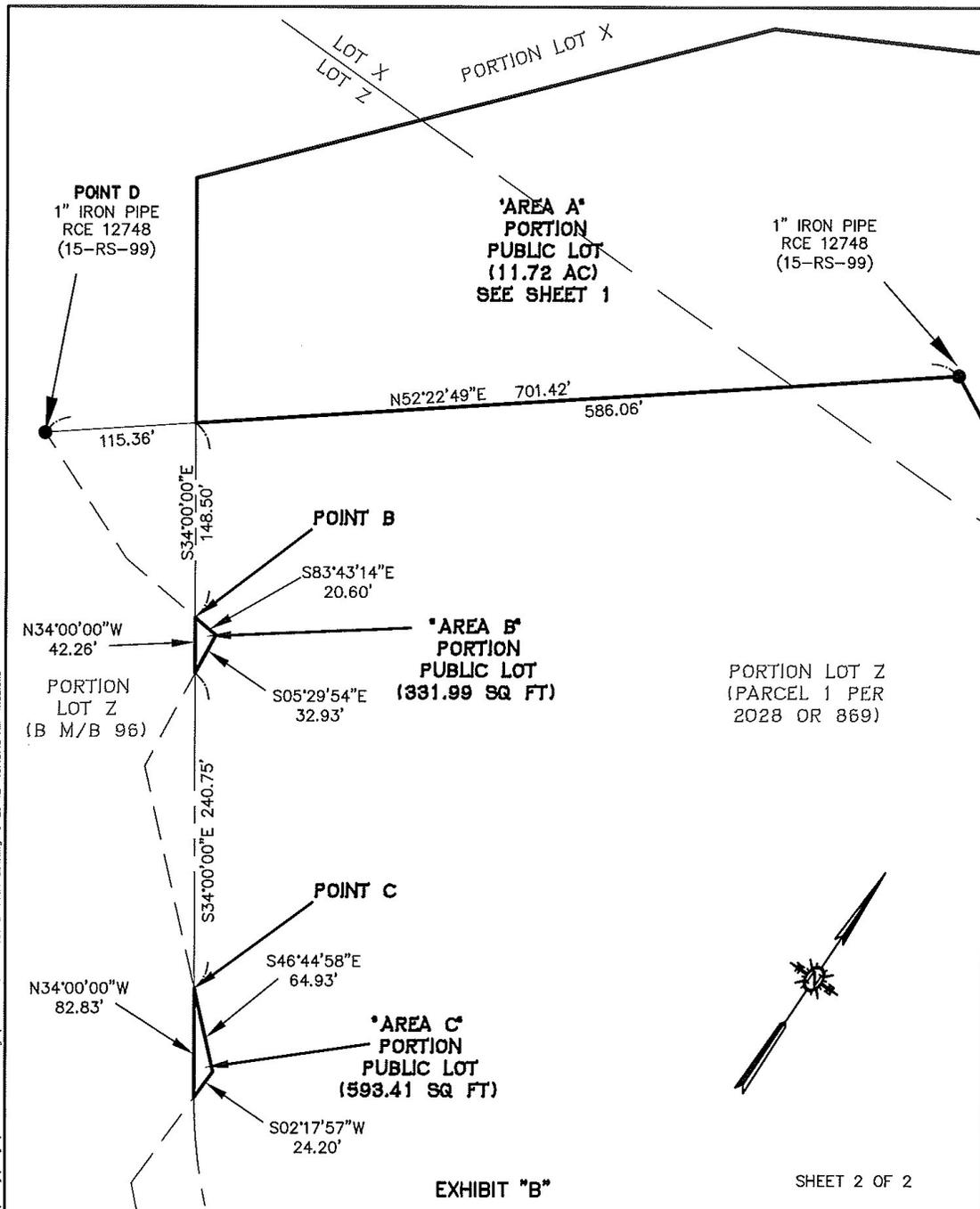
End Description

Prepared by:   
Dan Hutchinson, LS 5139 (License Expires 06/30/2013)

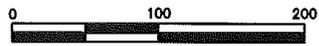
Date: SEPT. 26<sup>TH</sup>, 2012







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1 INCH = 100 FEET

<b>PORT SAN LUIS HARBOR DISTRICT PUBLIC LOT</b> <b>PTN. RANCHO SAN MIGUELITO PER MAPS BK. B PG. 98</b> COUNTY OF SAN LUIS OBISPO, CALIFORNIA			
DRAWN BY	CHECKED BY	SCALE	DATE
BS	DSH	1" = 100'	09/25/2012

**Exhibit E**

**Construction Access and Drainage Easement Agreement (Construction  
Access and Drainage Easement to Port San Luis Harbor District)**

**LD 2231-11-0149**

2012410 (22-07-090) 9 12 3

RECORDING REQUESTED BY, AND  
WHEN RECORDED RETURN TO:

PACIFIC GAS AND ELECTRIC COMPANY  
Land Department  
4325 So. Higuera  
San Luis Obispo, CA 93401  
Attention: Claire Mastin

Location: City/Uninc \_\_\_\_\_

Recording Fee \$ \_\_\_\_\_

Document Transfer Tax \$ \_\_\_\_\_

- o Computed on Full Value of Property Conveyed, or
- o Computed on Full Value Less Liens & Encumbrances Remaining at Time of Sale
- o This is a conveyance where the consideration and value is less than \$100.00 (R&T 11911).

\_\_\_\_\_  
Signature of declarant or agent determining tax

(A portion of APN 076-171-018; 076-172-002, &-021)

**CONSTRUCTION ACCESS AND DRAINAGE EASEMENT AGREEMENT  
(Construction Access and Drainage Easement to Port San Luis Harbor District)**

This Easement Agreement (“**Agreement**”) is made and entered into this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ (the “**Effective Date**”) by EUREKA ENERGY COMPANY, a California corporation, hereinafter called “**Eureka**”, and the PORT SAN LUIS HARBOR DISTRICT, a harbor district formed pursuant to California Harbors and Navigation Code Section 6000 et seq., hereinafter called “**Grantee**.”

**RECITALS**

A. Eureka owns the portion of that certain real property within the unincorporated area of the County of San Luis Obispo, State of California, described in **Exhibit “A”** and shown on **EXHIBIT “B”**, both of which are attached hereto and made a part hereof, lying partially within the boundary lines of the lands conveyed to Eureka Energy Company by Sheriff’s Deed recorded April 5, 1995 as Document Number 1995-014272 in the Official Records of San Luis Obispo County, and partially within the boundary line of the parcels of land described and designated Area D, Area E and Area F in the deed from Grantee to Eureka (Eureka Document Number LD 2232-11-0047) dated \_\_\_\_\_ and recorded as Document Number \_\_\_\_\_ in the Official Records of San Luis Obispo County (hereinafter, the “**Property**”).

B. Grantee is the owner of certain real property within the unincorporated area of the County of San Luis Obispo, State of California, described in **EXHIBIT "C"** attached hereto and made a part hereof (the "**Benefitted Property**"). The Port San Luis Harbor District Master Plan contemplates development of the Benefitted Property, and in connection therewith, Grantee has requested that Eureka grant a construction access easement over Eureka's private road within the Property, commonly known as the Diablo Canyon Power Plant Access Road. In addition, Grantee has requested the right to drain storm and excess water runoff from the Benefitted Property into the existing drainage channel located within the Property.

C. Eureka is willing to grant such easements on the terms and subject to the conditions set forth herein.

Now, therefore, for good and valuable consideration, Eureka and Grantee agree as follows:

1. Grant of Easements: Eureka hereby grants to Grantee, upon the terms and conditions set forth in this Agreement, the following easement:

Road Access. A non-exclusive easement to, from time to time, use the road located within the Property for access to the Benefitted Property when necessary for purposes of construction, maintenance and repair on the Benefitted Property (the "**Road Access Easement Area**").

Drainage. A non-exclusive easement to drain storm and excess water from the Benefitted Property over and across the Property into the existing drainage channel located within the Property ("**Drainage Easement**"). Grantee may improve the Easement Area as necessary or convenient to support development of the Benefitted Property. Any improvement of the Drainage Easement shall require the approval of Eureka which approval shall not be unreasonably denied, conditioned or withheld.

2. Limitations on Use.

(a) The Easement Area is to be used by Grantee only for those uses permitted in Section 1 above, and for no other purpose.

(b) Grantee's use of the Easement Area shall be limited to the purpose of controlled access. All access shall be authorized by Eureka and/or Grantee. Controlled access shall mean only those persons who have been specifically approved by Eureka or Grantee will be allowed access onto the Easement Area. Eureka shall not unreasonably exclude any person from using the access for the purposes set forth in this Agreement. Nothing in this Agreement, however, shall be construed to require Eureka to allow access to a person who, in the reasonable discretion of Eureka, poses a security or safety threat to Eureka property or the Diablo Canyon Power Plant. Eureka, at its reasonable discretion, may restrict or deny Grantee's use of the Easement Area for emergency or security purposes. A security gate currently controls access at the entrance to the Diablo Canyon Power Plant Access Road. Grantee shall comply with security controls established at the service gates to prevent unauthorized access thereto.

(c) Parking is prohibited on the Easement Area.

(d) Eureka reserves the right in its reasonable discretion to restrict access to the Easement Area or any portion or portions thereof in the event of fire, earthquake, storm, riot, civil disturbance, or other casualty or emergency, or in connection with Eureka's response thereto, or if emergency repairs or maintenance are required to any facilities within or in the vicinity of the Easement Area, or otherwise when Eureka, within its reasonable discretion, deems it advisable to do so, including in connection with events and emergencies occurring or affecting the business operations of Eureka, its affiliates, subsidiaries, and parent company, located elsewhere than in the immediate vicinity of the Property.

(e) Grantee accepts the Easement Area and Drainage Easement in its existing physical condition, without warranty by Eureka or any duty or obligation on the part of Eureka to maintain the Easement Area. Grantee shall be solely responsible for the health and safety of, and shall take all necessary precautions to protect, its employees, contractors, consultants, agents and invitees-("**Grantee's Representatives**").

3. Grantee's Covenants. Grantee hereby covenants and agrees:

(a) Damage Repair. Grantee agrees to repair, at no cost to Eureka, any damage it may cause to the road located within the Easement Area.

(b) Compliance with Laws. Grantee 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, including, but not limited to, those relating to the generation, use, storage, handling, treatment, transportation or disposal of hazardous substances, or to health, safety, noise, environmental protection, air quality or water quality (collectively, "**Legal Requirements**"), insofar as they relate to the use of the Easement Area by Grantee. Grantee agrees to indemnify and hold Eureka harmless from any and all loss, expense and liability if Grantee is the cause of the presence of the aforementioned conditions on the Property. Grantee shall not cause or permit any hazardous substances to be discharged or disposed of on, or in the vicinity of the Property, except in compliance with all applicable Legal Requirements. Grantee shall, at its sole cost and expense, obtain all permits, authorizations or other approvals as may be required by any federal, state, and local governments having jurisdiction over the Property.

(c) Coordination. Grantee agrees to coordinate all activities regarding the easements granted herein to reasonably minimize any interference and inconvenience with the use by Eureka and its parent company of the Easement Area and Eureka's adjoining lands. Grantee expressly understands that the Property is adjacent to a major electric generating facility operated by Eureka's parent company, and Grantee will, as a covenant and a condition to this Agreement, cooperate with Eureka and abide by orders and instructions issued by Eureka and its designated employees and representatives.

(d) Waste. Grantee, its agents, and assigns shall not commit or permit others to commit waste or a nuisance on the Property or any act that could disturb the quiet enjoyment of Eureka or any tenant of Eureka on adjoining property.

4. Indemnification; Release.

(a) Grantee shall indemnify and hold harmless Eureka, its parent company, and their respective officers, agents and employees (collectively, "Indemnitees") from and against any injury to or death of person(s) or loss of or damage to property caused by any wrongful or negligent act or omission of Grantee or of its agents or employees in the course of their exercise of the rights herein granted, provided, however, that this indemnity shall not extend to that portion of such loss or damage that shall have been caused by Eureka's comparative negligence or willful misconduct.

(b) Grantee's use of the Property shall be at its sole risk and expense. Eureka shall not be liable to Grantee, its agents, employees or invitees for any loss, damage or liability for damages, whether for loss of or damage to property, injury to or death of persons, which shall arise out of or in any way be connected with Grantee's exercise of the rights herein, unless such loss, damage, injury or death shall be caused by the sole negligence or willful misconduct of Eureka.

(c) The provisions of this Section 4 shall survive the termination of this Agreement.

5. Abandonment; Termination. In the event Grantee abandons the use hereunder, this Agreement shall terminate and all of the easements and other rights of Grantee hereunder shall revert to Eureka.

6. Reserved Rights. Eureka reserves the right to use the Easement Area for any and all purposes which will not unreasonably interfere with Grantee's use.

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

8. Entire Agreement. This Agreement 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 both parties.

9. 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.

10. 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 and expenses related to such action, in addition to all other recovery or relief.

11. 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.

12. 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.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first set forth above.

EUREKA ENERGY COMPANY

PORT SAN LUIS HARBOR DISTRICT

By: \_\_\_\_\_  
John T. Conway  
President and Chief Executive Officer

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Its: \_\_\_\_\_

Attested \_\_\_\_\_

I hereby certify that a resolution was adopted on the \_\_\_\_ day of \_\_\_\_\_, 20\_\_, by the \_\_\_\_\_ authorizing the acceptance of the foregoing grant of easement.

By \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

Exhibits A, B and C attached

To the extent of its leasehold interest, PACIFIC GAS AND ELECTRIC COMPANY, a California corporation, hereby consents to the execution of the foregoing grant of easement.

Dated \_\_\_\_\_, 20\_\_\_\_.

PACIFIC GAS AND ELECTRIC COMPANY

By: \_\_\_\_\_

Name: \_\_\_\_\_

Its: \_\_\_\_\_

Exhibit "A"

**CONSTRUCTION ACCESS  
AND  
DRAINAGE EASEMENT**  
Legal Description

A portion of Lot Z of the Rancho San Miguelito, in the County of San Luis Obispo, State of California as designated according to the plat entitled, "Part of the Rancho San Miguelito", filed in Book B, at Page 96 of Maps in the office of the Recorder for said County, more particularly described as follows:

**Commencing** at a 1 inch iron pipe with tag stamped RCE 12748, being designated here as Point D, marking the most westerly corner of that portion of said Lot Z designated "Parcel 1" of the conveyance to Port San Luis Harbor District by Trustee's Deed, filed in Volume 2028, at Page 869 of Official Records in the office of the Recorder for said County as shown on that Record of Survey filed in Book 15, at Page 99 of Record of Surveys in the office of the Recorder for said County, and being South 52° 22' 49" West, 701.42 feet from a 1 inch iron pipe with tag stamped RCE 12,748 at the northern most angle point in the northerly boundary of said "Parcel 1" as shown on said Record of Survey filed in Book 15, at Page 99;

Thence, leaving the northerly boundary of said "Parcel 1", North 3° 16' 20" West, 225.31 feet to the boundary between the "Public Lots" of Eureka Energy and San Luis Harbor District, and the **True Point of Beginning**;

Thence, along the boundary between said Public Lots, South 34° 00' 00" East, 700.74 feet;

Thence, continue along the boundary between said Public Lots, being a tangent curve to the left with a radius of 392.96 feet, through a 26° 00' 00" central angle, an arc length of 178.32 feet;

Thence, South 60° 00' 00" East, 205.33 feet;

Thence, South 13° 45' 30" West, 17.56 feet;

Thence, South 75° 36' 41" East, 30.16 feet;

Thence, South 15° 16' 21" West, 17.54 feet;

Thence, easterly, along a non-tangent curve to the left with a radius of 76.78 feet, radial from the previous course, through a central angle of 43° 00' 48", an arc length of 57.64 feet;

Thence, along the radial out extension of the previous curve, South 27° 44' 27" East, 15.87 feet to the northern boundary of the Avila Beach Drive right-of-way as shown on the "Plans For Construction on Harford Drive", prepared May 6<sup>th</sup>, 1968 by the County of San Luis Obispo Design Division, filed as Document #1268 with the Public Works Department for said County;

Thence, southwesterly, along the northern boundary of said Avila Beach Drive right-of-way, along a non-tangent curve to the left with a radius of 530.00 feet, radial from the previous course, through a central angle of 10° 14' 22", an arc length of 94.72 feet;

Thence, leaving said northern boundary of the Avila Beach Drive right-of-way, along a non-tangent curve to the right with a radius of 219.74 feet, from a radial bearing South 13° 02' 20" West , through a central angle of 18° 20' 36", an arc length of 70.35 feet;

Thence, North 58° 37' 04" West, 260.32 feet;

Thence, along a tangent curve to the right with a radius of 317.54 feet, through a 24° 28' 55" central angle, an arc length of 135.68 feet;

Thence, North 34° 08' 09" West, 691.03 feet;

Thence, North 41° 31' 46" East, 104.18 feet to the point of beginning.

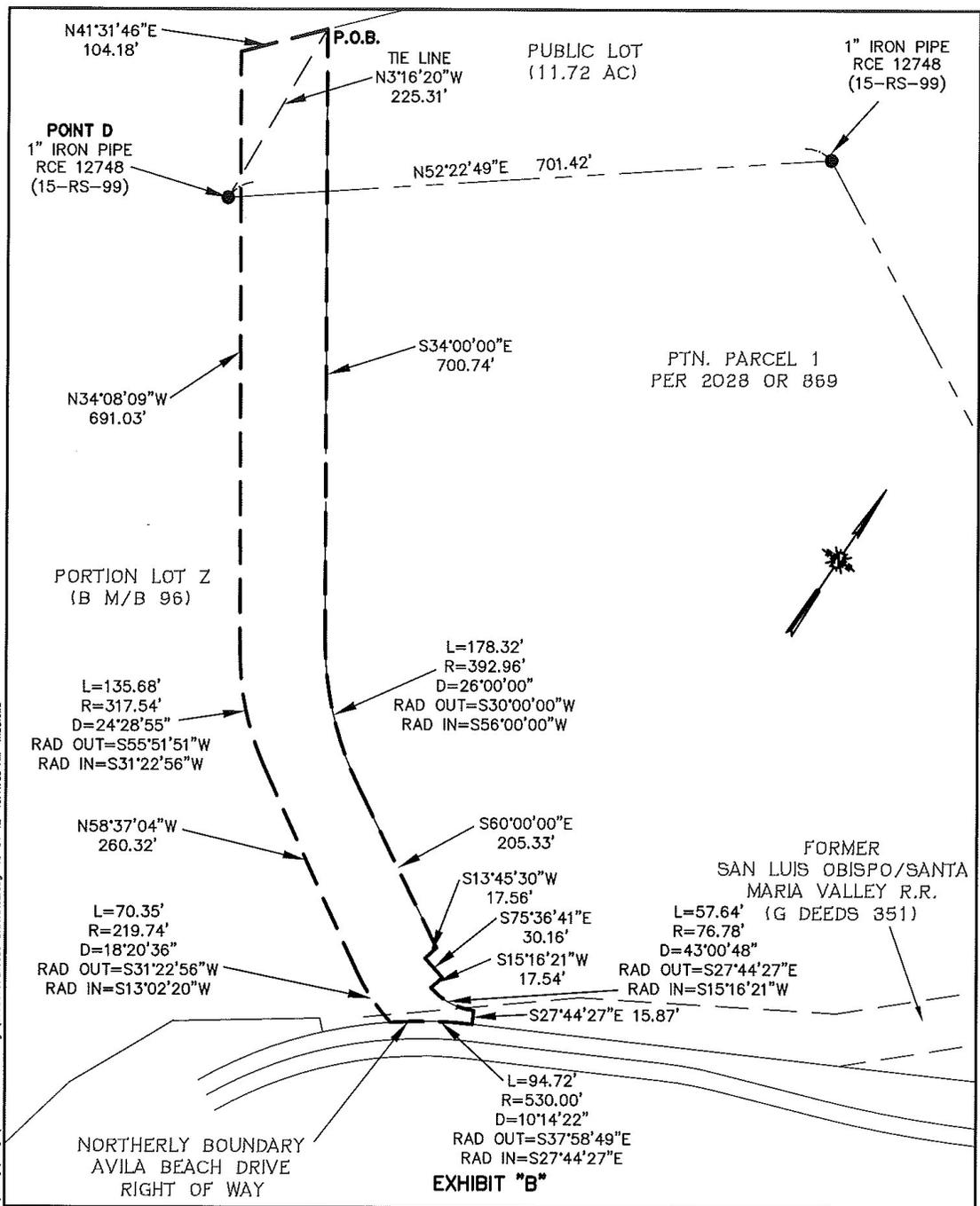
The bearings and distances described herein are based upon the California State Plane Coordinate System, Zone 5, North American Datum 1927 as shown on the map filed in Book 1, at Page 1 of Miscellaneous Maps in the office of the Recorder for said County, and the distances recited hereon are grid distances; to convert to ground distances multiply grid distances by 1.00005.

End Description

Prepared by: Dan Hutchinson  
Dan Hutchinson, LS 5139 (License Expires 06/30/2013)

Date: Oct. 4<sup>TH</sup>, 2012

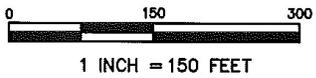




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NORTHERLY BOUNDARY  
 AVILA BEACH DRIVE  
 RIGHT OF WAY

**EXHIBIT "B"**



**CONSTRUCTION ACCESS AND DRAINAGE EASEMENT**  
**PTN. RANCHO SAN MIGUELITO PER MAPS BK. B PG. 98**  
 COUNTY OF SAN LUIS OBISPO, CALIFORNIA

DRAWN BY	CHECKED BY	SCALE	DATE
BS	DSH	1" = 150'	09/28/2012

**EXHIBIT “C”**

**BENEFITTED PROPERTY**

The parcels of land situate in the unincorporated area of the County of San Luis Obispo, State of California, described as follows:

(Portions of APN 076-171-018, &-021; 076-172-002,-019, &-022)

1. The parcels of land conveyed by John F. Ready, as trustee, to Port San Luis Harbor District by deed dated November 22, 1977 and recorded in Book 2028 of Official Records at page 869, San Luis Obispo County Records, and therein designated PARCEL 1 and PARCEL 3; excepting therefrom the parcels of land described and designated Area D, Area E and Area F in the deed from Port San Luis Harbor District to Eureka Energy Company dated \_\_\_\_\_, and recorded as Document Number \_\_\_\_\_ in the Official Records of San Luis Obispo County (Eureka Document Number LD 2232-11-0047).
2. The parcels of land described and designated Area A, Area B and Area C in the deed from Eureka Energy Company to Port San Luis Harbor District dated \_\_\_\_\_ and recorded as Document Number \_\_\_\_\_ in the Official Records of San Luis Obispo County (Eureka Document Number LD 2231-11-0148).

**PG&E Gas and Electric  
Advice Filing List  
General Order 96-B, Section IV**

1st Light Energy	Downey & Brand	OnGrid Solar
AT&T	Ellison Schneider & Harris LLP	Pacific Gas and Electric Company
Alcantar & Kahl LLP	G. A. Krause & Assoc.	Praxair
Anderson & Poole	GenOn Energy Inc.	Regulatory & Cogeneration Service, Inc.
BART	GenOn Energy, Inc.	SCD Energy Solutions
Barkovich & Yap, Inc.	Goodin, MacBride, Squeri, Schlotz & Ritchie	SCE
Bartle Wells Associates	Green Power Institute	SDG&E and SoCalGas
Bear Valley Electric Service	Hanna & Morton	SPURR
Braun Blaising McLaughlin, P.C.	In House Energy	San Francisco Public Utilities Commission
CENERGY POWER	International Power Technology	Seattle City Light
California Cotton Ginners & Growers Assn	Intestate Gas Services, Inc.	Sempra Utilities
California Energy Commission	Kelly Group	SoCalGas
California Public Utilities Commission	Linde	Southern California Edison Company
Calpine	Los Angeles Dept of Water & Power	Spark Energy
Casner, Steve	MAC Lighting Consulting	Sun Light & Power
Center for Biological Diversity	MRW & Associates	Sunshine Design
City of Palo Alto	Manatt Phelps Phillips	Tecogen, Inc.
City of San Jose	Marin Energy Authority	Tiger Natural Gas, Inc.
Clean Power	McKenna Long & Aldridge LLP	TransCanada
Coast Economic Consulting	McKenzie & Associates	Utility Cost Management
Commercial Energy	Modesto Irrigation District	Utility Power Solutions
Crossborder Energy	Morgan Stanley	Utility Specialists
Davis Wright Tremaine LLP	NLine Energy, Inc.	Verizon
Day Carter Murphy	NRG Solar	Water and Energy Consulting
Defense Energy Support Center	Nexant, Inc.	Wellhead Electric Company
Dept of General Services	North America Power Partners	Western Manufactured Housing Communities Association (WMA)
Douglass & Liddell	Occidental Energy Marketing, Inc.	