

EXECUTIVE OFFICER'S REPORT

April 26, 2022



California State Lands Commission

Federal Legislative Update

Staff has been working with Representative Garamendi's office on an amendment to the Coast Guard Authorization Act of 2022 (HR 6865) that would enable California and other states to assess the performance of U.S. Coast Guard approved ballast water management systems. The amendment would require the U.S. Coast Guard to provide states with performance data on approved ballast water management systems upon request, which would enable states to assess system performance capabilities and the potential risk of species introductions from ballast water discharges. The information could inform policy recommendations to reduce the risk of nonindigenous invasive species introductions in state waters. This amendment, which the Commission authorized staff to pursue last [June](#), is in the base text that the full House of Representatives approved last month. Staff is also working with staff in Senator Feinstein's office and Senator Padilla's office to include the ballast water provision in the Senate companion measure. Following staff-level negotiations, the final Coast Guard Authorization Act should be signed into law by President Biden later this year.

Pipeline 0919/Platform Eva to Shore Pipeline

On December 22, 2021, DCOR, LLC, a Commission lessee and operator of multiple offshore oil and gas operations, reported a sheen off the coast of Orange County. An investigation found that pipeline 0919, which transports oil from state Platform Eva to shore, was the source of the discharge. In accordance with the Commission's regulations, and at the direction of Commission staff, DCOR immediately suspended operations at Platform Eva. Under California Code of Regulations, Title 2, Section 2137, an immediate suspension of drilling and production operations is required to control pollution caused by such operations and corrective action must be taken immediately. Similarly, the lease between DCOR and the Commission obligates DCOR to perform repairs and maintenance as required to maintain the premises and improvements in good order and repair and safe condition. Staff has worked closely with other regulators, including OSPR and the State Fire Marshall,

EXECUTIVE OFFICER'S REPORT

April 26, 2022



throughout the initial spill response, including identification and repair of the damaged portion of the pipeline.

Platform Eva and pipeline 0919 continue to remain shut-in. Additional pipeline internal and external corrosion survey inspections are being conducted and analyzed. DCOR is exploring options to repair or replace the pipeline in consultation with Commission staff and the State Fire Marshall and subject to regulatory review and approval.

Rincon Phase II Decommissioning Project

Phase 1 work, consisting of abandonment of the wells and oil facilities at the former state oil and gas leases at Rincon Point in Ventura, is complete. Rincon Island and the nearby onshore site were placed into caretaker status last July and will remain in caretaker status while the Feasibility Study and California Environmental Quality Act (CEQA) documentation are completed, and until the final Phase 3 work, which will include the final island and onshore decommissioning, commences.

On March 17, staff released a draft Feasibility Study for a 60-day public review and comment period. On May 4, staff will host a virtual public meeting to discuss the draft Feasibility Study and receive public comments. Staff notified the community, interested parties, and tribal governments about the meeting, posted information about it on its website, and shared it on its social media. After the comment period closes, staff will revise the draft Feasibility Study as necessary, finalize it, and present it to the Commission for its consideration at a public meeting later this year. CEQA analysis will begin after the Commission acts on the Feasibility Study and a proposed project and alternatives are identified for further analysis.

Staff has also begun informal consultation with the California Coastal Commission, State Coastal Conservancy, California Department of Fish and Wildlife, National Marine Fisheries Service, and Ventura County. Consultation will continue while the Feasibility Study is finalized and throughout the CEQA process.

EXECUTIVE OFFICER'S REPORT

April 26, 2022



Platform Holly/Piers 421 Decommissioning (South Ellwood) Project

Staff continues to maintain and monitor Platform Holly and the onshore facilities to ensure public health and safety. Staff, Exxon and their subcontractors have continued to plug and abandon the wells on the Platform Holly, with nine of the 30 wells sealed and installed with surface plugs. Operations are now proceeding in a phased approach. Six of the remaining 21 wells require a more involved abandonment procedure. Those wells have been prepared for final abandonment operations. Once these wells are plugged and abandoned, preparation work will begin on the next batch of wells. Staff anticipates that all 30 wells will be plugged and abandoned by the end of the year.

At today's meeting, the Commission will consider certifying the Environmental Impact Report for the [Piers 421 Decommissioning Project, and approving the first component of this project](#). These piers are the last remaining oil and gas production related shorezone piers in California. Staff anticipates removing the structures later this year, subject to a coastal development permit issued by the Coastal Commission.

SB 44 Legacy Well Remediation Program

In February and March, staff performed two diver surveys in Summerland Beach and around Rincon well 102. The findings indicate that two wells along the Treadwell pier are leaking—Treadwell #1 and Treadwell #5. During the surveys, small debris (from pier remnants) were removed around the wells in preparation for future abandonment. Two additional target areas were investigated on the beach. One was determined to be a natural seep because the survey team did not find a casing or pier remnants after digging around the area. The survey team located a casing and pier remnants on the second target around the Moore pier but found no indication of leaking. The survey of Rincon subsea well 102 (located off Rincon Island) noted gas bubbles and oil droplets around the well, but the team could not tell if they originated from the well. Staff continues to monitor and investigate remaining legacy wells and seepage reports off Summerland Beach. Staff and its contractor, InterAct, are preparing cost estimates and engineering plans to re-abandon up to two Treadwell wells later this year.

EXECUTIVE OFFICER'S REPORT

April 26, 2022



Hollister Ranch Public Access Program

The California Coastal Commission held its first public workshop on the draft Hollister Ranch Coastal Access Program this past November. The purpose of the workshop was to present the draft Coastal Access Program and hear from the Commissioners and the public. Earlier this year, the state agency team determined that a Programmatic Environmental Impact Report is necessary to ensure a comprehensive environmental impact and mitigation analysis, meaningful public engagement and input, and preparation of a legally defensible Coastal Access Program. The state agency team notified the Legislature of this determination.

As background, since 2019, the state agency team and its consultants have spearheaded a robust public engagement process to develop a contemporary Hollister Ranch Coastal Access Program—pursuant to AB 1680 (Limón, 2019). The team established a stakeholder working group that met regularly for a year and a half to assist in developing the draft Program. The team interviewed 18 groups, issued four public surveys, and convened interactive public engagement sessions, including hosting two public meetings and eight listening sessions with stakeholders, environmental justice communities, youth, and Chumash tribal representatives. Formal Chumash tribal consultations were initiated this past June and are ongoing.

Coordinated Offshore Wind Energy Planning in Federal Waters

Staff continues to participate in offshore wind planning in federal waters as a member of the BOEM-CA Intergovernmental Task Force for offshore wind, and as an agency named in AB 525 (Chiu, 2021), a bill that directs certain state agencies to develop a strategic plan for offshore wind in federal waters off the coast of California.

Several developments have occurred this year. In April, BOEM released a draft Environmental Assessment for the Morro Bay Wind Energy Area (WEA), which is located approximately 20 miles offshore San Luis Obispo County. Also in April, the Coastal Commission conditionally concurred that BOEM's proposed leasing and lease activities within the Humboldt WEA, located approximately 20 miles

EXECUTIVE OFFICER'S REPORT

April 26, 2022



off the city of Eureka, are consistent with California's Coastal Management Program under Chapter 3 of the Coastal Act. The Coastal Commission is now preparing a staff report and recommendation on California Coastal Management Program consistency for the Morro Bay WEA. Concurrently, BOEM is preparing, and intends to release soon, a Proposed Sale Notice that includes both the Humboldt WEA and Morro Bay WEA. BOEM anticipates issuing up to three leases within each WEA, which would allow lessees to perform geophysical, geotechnical, and biological surveys as well as the temporary placement of up to three metocean buoys and oceanographic devices. On May 20, BOEM will hold a task force meeting that will be open to the public.

Staff continues to participate in outreach to the fishing community and tribal governments to ensure meaningful and inclusive participation by these important partners and stakeholders. On March 16-17, staff participated in meetings with fishermen, processors, and port staff in Crescent City and Eureka to discuss the Coastal Commission's April 7 meeting and staff report and hear concerns about impacts to the fishing industry. Additional meetings for the Morro Bay WEA are scheduled for May 16-17 in Santa Barbara and Morro Bay. Meetings with coastal tribes will be scheduled in May to align with the BOEM task force meeting and the state's forthcoming report establishing megawatt offshore wind planning goals as required by AB 525.

As part of its responsibilities under AB 525, staff is working with the California Energy Commission and BOEM to assess California seaport readiness and necessary physical investments to facilitate offshore wind energy. California Energy Commission staff is currently developing, in collaboration with Commission staff and other agencies, a report outlining the "maximum feasible capacity" of offshore wind. This report will establish megawatt offshore wind planning goals for 2030 and 2045 as required by AB 525. On May 2, the California Energy Commission will hold a workshop on the draft report and anticipates publishing the report by June 1.

EXECUTIVE OFFICER'S REPORT

April 26, 2022



Tijuana River Valley Pollution Crisis

In April, a coalition of government agencies and clean water advocates, including the Commission, reached a settlement with the U.S. Section of the International Boundary and Water Commission (USIBWC) on cross-border water pollution in the Tijuana River Valley. The settlement follows litigation that the San Diego Regional Water Quality Control Board initiated in 2018 alleging that the USIBWC's failure to address transboundary pollution violated the Clean Water Act. The Commission was a party to this litigation. The San Diego Unified Port District, the cities of Imperial Beach, Chula Vista, and San Diego, and the Surfrider Foundation also filed claims against the USIBWC related to the transboundary pollution. In exchange for the dismissal of the lawsuits, USIBWC, which owns and supervises the operation and maintenance of the South Bay International Wastewater Treatment Plant in the Tijuana River Valley, agreed to improve its canyon collector network, support a main channel berm, improve its stakeholder communication, and take other steps to address pollution that flows across the border.

The steps USIBWC agreed to perform are in addition to the U.S. EPA's comprehensive infrastructure solution that was announced during the litigation in November 2021. The comprehensive infrastructure solution is a holistic and comprehensive solution to this crisis and will allow the U.S. EPA to implement a phased approach in the design and construction of various water infrastructure projects. The U.S. EPA is committed to public engagement during the National Environmental Policy Act review process and to working with their counterparts in Mexico to ensure binational support for water infrastructure projects. It is expected that the U.S. EPA will present an update on the status of the environmental review process.

EXECUTIVE OFFICER'S REPORT

April 26, 2022



Poseidon Huntington Beach Desalination Project

In February, Poseidon entered into a Memorandum of Understanding (MOU) with Orange County Power Authority to work together toward having the proposed Huntington Beach Desalination facility operate on 100 percent renewable energy. The MOU is not binding and will terminate immediately if the Coastal Commission denies Poseidon's coastal development permit application. The MOU does not appear to conflict with the terms and conditions of Poseidon's existing Commission lease.

Poseidon, pursuant to the Santa Ana Regional Water Quality Control Board's draft Coordination & Communication Plan (C&C Plan), is required to hold (regularly or as needed) agency representative meetings with the Commission and other agencies to implement the Board-approved mitigation actions at Bolsa Chica and offshore Palos Verdes. In February, Poseidon held its first agency representatives meeting, which involved a representative from each agency, including representatives from agencies on the Bolsa Chica Steering Committee, and Commission staff to collaborate and provide written feedback on the restoration plans for the Bolsa Chica mitigation projects and the Palos Verdes Artificial Reef.

The Coastal Commission will consider Poseidon's Coastal Development Permit application for the proposed Huntington Beach Desalination Project at a special meeting on May 12. Staff expects Poseidon to submit an application to the Commission to amend its existing lease after the Coastal Commission's May meeting.

San Onofre Nuclear Generating Station Units 2 & 3 Decommissioning

As part of its April 26 meeting agenda ([Item 44](#)), the Commission will consider a new lease for the SONGS Unit 1 existing non-operational offshore concrete water circulating intake and discharge conduits. SONGS Unit 1 ceased operations in 1992, and this lease, although located next to Units 2 and 3, is not part of the SONGS Units 2 & 3 Decommissioning Project. The Unit 1 conduits were previously under lease, but the lease expired and has been in holdover since 2018.

EXECUTIVE OFFICER'S REPORT

April 26, 2022



Southern California Edison anticipates continued permitting activities in mid-2022 to accommodate the required State Water Quality Control Board final approved 401 water quality certification and a U.S. Army Corps of Engineers Clean Water Act Section 404 individual permit required under the Clean Water Act. In March 23, Aspen Environmental Groups provided staff with the latest monitoring report on the onshore construction activities. Major onshore activities will continue to occur at the existing facility. Onshore work will include, but not be limited to, the following: the establishment of equipment and material staging yards; the reconfiguration and/or reinforcement of site access roads and entrances; the installation, modifications, or upgrades to rail infrastructure; the construction of temporary containment enclosures to perform decontamination and dismantlement tasks; the completion of radiological remediation pursuant to applicable Nuclear Regulatory Commission regulations; the segmentation and packaging of reactor vessel internals for shipment and disposal; the removal and disposal of large components (e.g., reactor vessels, steam generators, pressurizers, turbine-generators); the dismantlement of container buildings; the removal of all remaining above-ground structures; and the partial removal of subsurface structures, systems, and components.

Construction activities offshore are anticipated to start in 2024. Southern California Edison anticipates continuing to discharge through the Unit 2 conduit into the ocean through early 2024 as part of the operation and maintenance of the sewage treatment plant, and the sumps, in addition to draining the spent fuel pools.