

EXECUTIVE OFFICER'S REPORT

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All Staff Meetings

Staff came together in January and February to convene all staff meetings. We celebrated our many accomplishments in 2023, shared priorities for 2024, provided key budget and legislative information, and had meaningful question-and-answer sessions. Key priorities for the year ahead include prioritizing climate in all our decision making and recommendations; all of our work should be viewed through the lens of the climate crisis. Another key priority includes implementation of our Environmental Justice/Tribal Policies in all our work to effectuate meaningful tangible benefits to EJ and Tribal communities. Let's be intentional and thoughtful about moving beyond just checking the boxes. Another priority is to uplift our staff and our connection to each other, to the Commission, and the lands and resources managed by the Commission. Recruitment and retaining talented and diverse staff are also priorities for the year ahead. Our all-staff meetings enabled us to reconnect and establish a shared vision for the year ahead.



Photos of All Staff Meetings at our Long Beach and Sacramento offices.



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Port of San Francisco Waterfront

Port of San Francisco staff, including Elaine Forbes, the Executive Director, briefed staff about a [draft plan](#) the U.S. Army Corp of Engineers released on January 26 for an estimated \$13.6 billion project to protect a 7.5 mile stretch of the San Francisco waterfront from coastal flooding. The draft plan is a huge milestone and foundational to protecting the gorgeous and iconic San Francisco waterfront from flooding and seismic risk. Staff played a key role in developing the draft plan through its involvement in the Port of San Francisco's resource agency working group. The resource agency working group met throughout the preparation of the draft plan and contributed expertise and information to support its development.

Hollister Ranch Public Access Program

The state agency team continues to work together to develop a Hollister Ranch public access program. On January 17, staff briefed Senator Limón, the author of the legislation requiring the Commission and other agencies to develop an access plan, on its progress. The briefing included an update on a programmatic Environmental Impact Report staff are preparing on behalf of the Coastal Commission (the lead agency). Staff also briefed Senator Limón about the results of a cultural and tribal resources study and input from tribal leaders of the Chumash Working Group.

Environmental Coalition Meeting

The Executive Officer and staff attended an Environmental Coalition meeting in Santa Barbara to brief the Coalition about several key activities, including work on offshore wind energy and a pending offshore wind application offshore Vandenberg Space Force Base, Exxon's SYU pipeline amendments, offshore oil and gas decommissioning projects, and the Commission's analysis of how these pipelines affect public trust lands and resources. The Environmental Coalition is an entity founded by the Environmental Defense Center in 1991 to facilitate the sharing of information regarding oil and energy issues along California's South-Central Coast. Attendees included representatives of tribal nations and communities, environmental non-governmental organizations, public agencies,

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elected officials, and other community leaders. The group does not take positions or advocates but rather provides a forum for providing notices, updates, and information.

Proposed Chumash Heritage National Marine Sanctuary Designation

The National Oceanic and Atmospheric Administration proposed a new Chumash Heritage National Marine Sanctuary in 2021 that would be offshore San Luis Obispo and Santa Barbara County. Staff sent a comment letter about the proposed designation that supports and acknowledges the significance, culturally, spiritually, and traditionally, of the proposed Sanctuary area to Native American Tribes. Staff also touched on issues related to offshore wind energy development, marine transportation, maritime heritage, and the Commission's jurisdiction and responsibilities within the proposed Sanctuary area. Staff will continue to monitor the status of the proposed Sanctuary and remain engaged on this issue.

State Budget

On January 10, the Governor released his proposed 2024-25 budget and announced a \$37.9 shortfall. The Commission's total budget is \$51,033,000. Several state-wide solutions are proposed to reduce the shortfall, including a vacant position funding sweep that is expected to result in \$762.5 million in savings to help diminish the shortfall. The sweep would reduce departments' appropriations by up to 50 percent of their vacant position's budgeted funding. The remaining 50 percent of vacant position funding will stay, allowing departments the flexibility to make critical position hires. It is expected that departments' funding levels will be restored to their full appropriations in future years, depending on the solvency of the state's budget.

Tijuana River Transboundary Pollution Crisis

Storms in January and February led to severe flooding in the Tijuana River Valley and San Diego region. The International Boundary and Water Commission estimates that the unprecedented storms that hit San Diego have caused billions of gallons of raw sewage to flow from Mexico into California. These

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recent untreated sewage flows include large debris, such as tires, that have piled up in Smuggler's Gulch and other areas. The affected communities in Imperial Beach and surrounding areas have reported adverse impacts on air quality, poor water quality, and an increase in gastrointestinal issues. Farmers have reported having to throw away entire crops due to sewage flows flooding their fields and the ensuing contamination.

The Commission approved and signed a letter to Congress last November supporting a \$310 million request that President Biden included in an emergency supplemental appropriations bill to fund infrastructure improvements at the South Bay International Wastewater Treatment Plant. Governor Newsom reaffirmed the importance of federal funding to solve the pollution crisis in the last month and reiterated that Congress should approve the \$310 million.

Staff are encouraged by recent improvements to water infrastructure in Mexico, including the repair and reconnection of a pressurized sewage line, start of construction on a new 18 million gallons per day wastewater treatment plant at San Antonio de los Buenos, and projects to rehabilitate a conveyance pipe and a pump station. These efforts are intended to reduce cross-border flows into California.

Staff continue to work with local, state, federal, and community partners to advance a comprehensive solution. The transboundary pollution from Mexico into California is a severe crisis, exacerbated by climate change and extreme weather events, such as the recent storms. This crisis is also an environmental justice issue, adversely affects public health and safety, the environment, and the economy, and hampers public access to the coast.

Proposed San Diego Sentinel Landscape Designation

In January, regional partners, including the State Coastal Conservancy, the Port of San Diego, and the U.S. Navy, applied for a San Diego Sentinel Landscape designation (the landscape area would be from the bay to the border). Staff sent a letter expressing support and enthusiasm for the application. Sentinel landscapes are areas where conservation, working lands, and national defense interests converge. A sentinel landscape designation facilitates collaboration and partnership across local, state, and federal entities. The proposed San

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Diego sentinel landscape designation would address cross-jurisdictional, landscape-level issues such as encroachment management, natural and cultural resources management, climate change adaptation, and water quality improvement in a complex and interconnected urban environment that exists within a fragile and unique ecosystem. If the federal government approves the application, a landscape coordinator would identify opportunities to engage in true landscape-level management often missed due to capacity and lack of communication. A San Diego sentinel landscape also provides a new opportunity to partner with the United States Department of Agriculture, urban agriculture, innovative production, aquaculture, equity, and climate resilience programs that align with the partnership goals.

Staff recognize the value that the San Diego Sentinel Landscape designation would have in addressing climate change resilience, habitat management, and transboundary pollution. These are complex and often compounding challenges that carry serious implications for environmental and public health and safety. Staff will monitor the application status and, if approved, will work with application partners to identify opportunities for the Commission to collaborate and partner in the region.

Offshore Wind Energy

California continues to lay tracts to support offshore wind energy as part of efforts to transition to clean energy. The California Energy Commission released a [draft strategic plan](#) last month for review and is holding a [public workshop](#) in March, with a comment deadline of March 22. After that, the Energy Commission will review comments and revise the draft strategic plan. Commission staff effort on the plan has focused on seaport readiness, permitting, environmental justice and Tribal engagement, site surveys, and workforce development.

Staff have been meeting with developers for the five offshore wind energy leases in federal waters to discuss our jurisdiction, communication, and the siting of electrical transmission cables. A key next step is for the developers to conduct site surveys. Staff have been reviewing the survey plans to check for compliance with our offshore geophysical permit program.

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The Bureau of Ocean Energy Management issued a Notice of Intent for a Programmatic Environmental Impact Statement for the lease areas last December. Commission staff coordinated a joint comment letter from the Coastal Commission, Department of Fish and Wildlife, Energy Commission, and the Ocean Protection Council that expressed the state's perspectives and feedback. The Programmatic Environmental Impact Statement does not substitute for project-specific environmental review that will begin when developers submit construction and operations plans to the Bureau of Ocean Energy Management.

Staff submitted a comment letter earlier this month in response to the Port of Long Beach's notice of preparation for environmental review of the proposed pier wind project. This project, located on granted lands under the Commission's residual oversight authority, would develop roughly 430 acres to assemble offshore wind turbine foundations and stage and integrate turbine generators.

The Humboldt Bay Harbor, Recreation, and Conservation District received a \$426 million [federal grant](#) for their heavy lift marine terminal project, which is intended to serve as a multi-purpose port facility to support offshore wind on the west coast. Once built, it will be the first floating offshore wind port terminal on the west coast. The federal grant will be used for construction, environmental restoration, a multipurpose trail adjacent to the site, recreational access (fishing, pier, kayak launch), and a community benefits program, among other things. The marine terminal project in Humboldt is also on granted lands under the Commission's residual oversight authority.

Staff participate in bi-weekly tribal working group meetings led by the California Energy Commission to discuss offshore wind policy. Staff also participate in the Offshore Wind Energy Fisheries Working Group led by the Coastal Commission. The working group is developing a statewide strategy to avoid, minimize, and mitigate impacts to fishing and fisheries from offshore wind.

Our last update concerns the offshore wind energy application the Commission is processing for the CADEMO project near Vandenberg Space Force Base. We anticipate launching the CEQA/NEPA process for this project this summer.

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Methane Reduction Grant

Staff are laying the groundwork to implement a nearly \$22 million grant the Commission received last December from the federal Department of Energy to monitor and reduce methane emissions from oil and gas operations and for environmental restoration of well sites. Staff hope to have an initial well inventory this spring. The grant, funded through the federal Inflation Reduction Act, is part of a program to help tackle the climate crisis, create good-paying jobs, and reduce air pollution. More information is available in our [press release](#).

Environmental Justice and Equity

In January, staff attended the Department of Conservation's RUBIN Race and Equity-Focused Public Engagement Training. It was an informative and inspirational training that provided staff with the knowledge and tools to develop and implement robust community engagement plans. Staff also learned about the principles of community engagement and more about why it matters. The RUBIN model is designed to support an engagement process that provides opportunities for communities to take part in conversations, to learn and to work with government staff, not just provide input. Community engagement is a core element of our Environmental Justice Policy. We are excited to take what we learned in this training and apply it to our work.

Offshore Oil and Gas Decommissioning Projects

Platform Holly

We are in the final stages of well plug and abandonment on platform Holly. Once that is done, we will start cutting and removing the 30 well conductors that link the platform wellheads to the seabed. We expect to complete that work by the end of this year. Once that is done, the platform will no longer be connected to the seabed, and there will be no possibility of producing oil or reactivating the platform again.

Technical studies supporting the coming Environmental Impact Report are underway. Staff anticipates issuing a notice of preparation this Fall, which will initiate the CEQA process. The notice of preparation will be followed by a draft Environmental Impact Report for public review and comment, which is

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expected in 2025. ExxonMobil will decommission platform Holly, at its expense, after the Commission certifies the Environmental Impact Report. More information is available in the [Phase 2 agreement](#) executed last October.

Rincon Island

Staff anticipates releasing the Draft Environmental Impact Report for the Rincon Decommissioning project for review and comment within the next month. Staff will convene public meetings during the review period to summarize the main components and receive comments. Staff will continue its consultation with Tribal governments and coordination with other agencies, including the California Coastal Commission, State Coastal Conservancy, California Department of Fish and Wildlife, National Marine Fisheries Service, and Ventura County.

Nuclear Power Plant Operations and Decommissioning

San Onofre Nuclear Power Plant (SONGS)

In January, staff received the latest monitoring report on the onshore SONGS construction activities from Aspen Environmental Group. The onshore decommissioning activities are 50 percent completed. This includes removal of the Unit 3 turbine gantry crane, turbine building, and structures. In 2023, 143 million pounds of waste were shipped offsite, totaling 302 million pounds of waste removed since the start of decommissioning.

Onshore work will include establishing equipment and material staging yards; the reconfiguration or reinforcement of site access roads and entrances; installation, modifications, or upgrades to rail infrastructure; construction of temporary containment enclosures to perform decontamination and dismantlement tasks; completion of radiological remediation; 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 aboveground structures; and the partial removal of subsurface structures, systems, and components.

Offshore construction activities are anticipated to start in 2025, though that could change. Southern California Edison anticipates continuing to discharge

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through the Unit 2 conduit into the ocean through 2024 as part of the operation and maintenance of the sewage treatment plant and the sumps and draining spent fuel pools.

Diablo Canyon Nuclear Power Plant

The Nuclear Regulatory Commission has determined that PG&E's License Renewal Application for Diablo Canyon is sufficient for its review. The determination allows PG&E to continue operating Units 1 and 2 past their current licenses (2024 and 2025) while the application is under review. This determination follows the passage of SB 846 in 2022, which authorized the Power Plant to continue operating for five additional years.