

EXECUTIVE OFFICER'S REPORT

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Environmental Justice and Equity

Staff attended and helped plan the California Natural Resources Agency's first-ever environmental justice and equity summit. The in-person event held in Sacramento, known as the Justice Rising Summit, brought together environmental justice advocates, tribal members, CNRA leadership, department directors, and their environmental justice and equity leads. Participants discussed the state of environmental justice and equity in the natural resources space, how to get underinvested communities more public funding, how to meaningfully engage impacted communities to shape our decision-making, how to ensure we protect the most vulnerable communities from climate impacts, and how to have a just transition away from fossil fuel to clean energy. The day featured speakers, panel discussions, and listening sessions, all of which will inform a new CNRA environmental justice and equity policy. It was an invigorating, insightful, and meaningful event that Secretary Crowfoot called a 10 out of 10.



Katie Robinson-Filipp (Left), Yessica Ramirez (Middle), and Sheri Pemberton (Right) participated in the Justice Rising Summit. Photo courtesy of Commission staff.



CNRA Secretary Wade Crowfoot giving opening remarks at the Justice Rising Summit. Photo courtesy of California State Parks.

Marine Invasive Species Program: Peru and Ecuador Biofouling Training

Staff continued work with the [International Maritime Organization's GloFouling Partnerships Project](#), providing in-person training in Peru (November 2023) and virtual training in Ecuador (February 2024). The training focused on revised International Maritime Organization biofouling management guidelines and

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how to develop and evaluate the effectiveness of biofouling management plans and record books. Staff used modules and manuals developed by the GloFouling Partnerships Project, mixing lecture-style presentations with leading questions and activities to increase participation and engagement. Staff weaved in the Commission's unique experience to augment the material with personal examples. Participants included ship owners, operators, crews, agents, oil production companies, the Peruvian and Ecuadorian Navies, regulators, professors, biologists and oceanographers from regional universities, and private labs and researchers. Staff built collaborations with Peruvian and Ecuadorian researchers on research and policies on ballast water and biofouling management to prevent invasive species introductions. These types of opportunities to share our expertise are a testament to our team's excellent work and the collaborations we have built.



Photo courtesy of Commission staff, Lina Ceballos.

Significant Legal Victory Holding Oil and Gas Company Accountable

On March 15, the Santa Barbara County Superior Court found in the Commission's [favor](#) and against Signal Hill, an oil and gas company operating offshore pipelines, awarding the Commission nearly \$300,000 in damages plus additional costs that will be determined at a future date. The Court awarded the Commission damages for its claims of breach of contract and trespass against Signal Hill. Judgment was also entered in the Commission's favor for all claims made in Signal Hill's and related entity Carone Petroleum Corporation's cross-complaint against the Commission. The Judgment, a result of a successful

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Motion for Summary Judgment filed by the Commission last year, is a huge victory. Payment is due by June 13, 2024.

As background, the Commission sued Signal Hill Service in 2019 after terminating its pipeline right-of-way lease. The lease had authorized four pipelines (a water pipeline, two oil pipelines, and a gas pipeline) from Platform Hogan in federal waters to shore and one nonoperational outfall pipeline from shore. The Commission [approved the lease termination in June 2019](#) after Signal Hill failed to pay rent for several years and maintain the bond required under its lease. After termination, Signal Hill continued to occupy state land and use the pipelines, giving rise to the trespass claim.

Tijuana River Transboundary Pollution Crisis

On March 21, U.S. Senator Alex Padilla announced that he had secured over \$103 million in additional funding for the U.S. International Boundary and Water Commission in the bipartisan FY 2024 appropriations package. The funding will help repair the South Bay International Wastewater Treatment Plant near the U.S.-Mexico border to address transborder water pollution. Governor Newsom issued a statement urging Congress to quickly approve this funding. The South Bay treatment plant is estimated to need around \$150 million in repairs to proceed with plans to enhance and expand the facility to better control transboundary pollution. Staff are encouraged to see the potential additional federal funding and will continue to track the FY 2024 appropriations package.

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 storms earlier this year. 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.

Coastal Sediment Management: Nature-Based Solutions

The [North-central California Coastal Sediment Management Committee](#), of which the Commission is a member, released a new comprehensive guide, known as a permitting roadmap, to help planners navigate the regulatory process for coastal sediment management and restoration projects. It is a first-

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of-its-kind multi-agency permitting guide for North-central California coastal projects to restore and increase habitat resilience. The guide was developed with support from NOAA Greater Farallones National Marine Sanctuary, the California State Lands Commission, and NOAA National Centers for Coastal Ocean Science.

This invaluable roadmap—produced by 17 local, state, and federal agencies and led by our partners at Greater Farallones and Cordell Bank National Marine Sanctuaries—is a huge achievement in the effort to implement nature-based solutions. Our sediment management staff proudly provided technical assistance that supported development of the permitting roadmap. More information is available on the North-Central California Coastal Sediment Coordination Committee's website, where the public can [download the Roadmap](#) and view the [Coastal Agency Review for Sediment](#).

Abandoned Vessel Removal

Staff started cleaning up an abandoned commercial vessel compound at Broad Slough near the confluence of the Sacramento and San Joaquin Rivers in Sacramento County, removing the first of nearly two dozen derelict commercial vessels from the public waterway. Our enforcement team also compelled the owner of a derelict fishing vessel, known as the *Bosco Baby*, to relocate the floating and neglected vessel to a marina where it can be safely monitored and maintained. This was important because the vessel had fuel and hazardous materials on board that could have leaked into the waterway. Both actions follow authorizations from the Commission last August ([Claus von Wendel](#) and [Salt River Construction Corporation](#)).



Photo courtesy of Commission staff.

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Silverado Contractors, one of the Commission's on-call vessel contractors, removed the *Ruth Elaine* tugboat from the water ([Item 83, June 5, 2023](#)) and began demolishing it at Pier 68 on the San Francisco waterfront. The *Ruth Elaine* was grounded near the San Joaquin River and had drifted into an irrigation pipe with high river flows. This vessel removal involved safely abating hazardous waste, including thousands of gallons of oil and oily water and asbestos-containing materials.

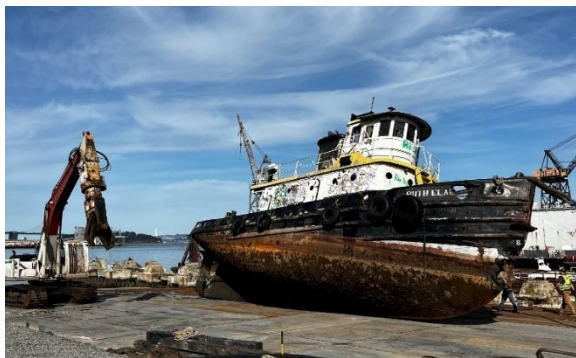


Photo courtesy of Commission staff.

Offshore Wind Energy

The California Energy Commission held two public workshops in March on the AB 525 [draft strategic plan](#) for offshore wind. Staff gave presentations during the workshops about ports and waterfront infrastructure and the Commission's role in leasing and as lead agency under the California Environmental Quality Act. Public comment on the draft strategic plan is due on April 22.

Staff are working with the Bureau of Ocean Energy Management to be designated a cooperating agency under the National Environmental Policy Act for the federal government's Programmatic Environmental Impact Statement for the five lease areas in federal waters off California's coast. Designation as a cooperating agency will facilitate the sharing of expertise and information between the Commission and the Bureau of Ocean Energy Management, avoid duplication, and make the environmental review process as efficient as possible. This role is particularly important given the recent statutory designation of the Commission as CEQA lead for offshore wind projects. The Programmatic Environmental Impact Statement will not substitute for project-specific environmental review that will begin when offshore wind developers submit their

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construction and operations plans. Staff also continue to participate in working groups, including one involving tribal governmental representatives and another involving representatives of the fishing industry.

Methane Emissions Reduction Grant

The Commission was awarded a nearly \$22 million grant last December from the federal Department of Energy to mitigate methane emissions from certain oil and gas wells as part of the [Methane Emissions Reduction Program](#). The program focuses on abandonment of marginal conventional wells, which are idle or producing onshore vertical or slightly deviated wells with a known owner or operator that produce less than or equal to 15 barrels of oil a day. Marginal conventional wells account for only six percent of oil and gas production in the U.S. but over half of well site methane emissions.

The grant requires the Commission to use a minimum of 40 percent of the funding in low income and disadvantaged communities in compliance with the federal government's Justice 40 initiative. Staff is focusing on the West Wilmington area in Long Beach for the majority of well remediation because of its proximity to disadvantaged communities and presence of marginal conventional wells. Staff are working with the city of Long Beach and California Resources Corporation to prioritize well remediations and to develop other components necessary to measure and monitor methane emissions, plug and abandon wells, and restore well sites.

In the coming months, staff anticipates attending the Department of Energy grant kick-off meeting in Pennsylvania with other state awardees and coordinating with the city of Long Beach and California Resources Corporation to identify wells that are a priority to plug and abandon. Staff expect to plug and abandon about 70 wells over the next five years with the grant funding, and as part of that, reduce the state's abandonment liability for oil and gas operations in the City of Long Beach.

Marine Environmental Protection

Our Marine Environmental Protection Division is preparing to audit the state's 35 marine oil terminals this year as part of our pipeline preventive maintenance program. The audits, which focus on pipeline integrity, are intended to ensure

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that no oil is spilled when transferred over water or subsea. The Division has also been involved in the industry shift to renewable fuels, facilitating new marine oil terminals and upgrades to existing terminals to support renewable fuel production. Three marine oil terminals have transitioned to 100 percent renewable fuels to date. Division staff is continuously conducting outreach with the state's marine oil terminal owners and operators to ensure compliance with our pollution prevention programs.

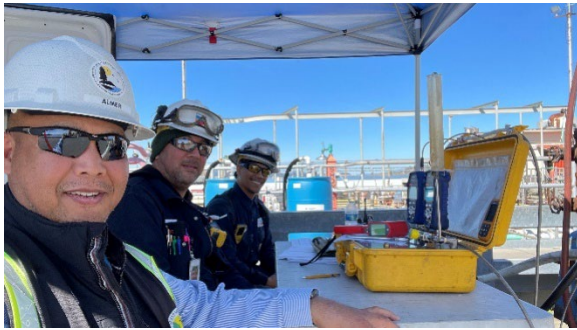


Photo courtesy of Commission staff Almer Samaniego.



Chevron Eureka Marine Oil Terminal. Photo courtesy of Commission staff Eusebio Fabia and Brian Abellana.

California Tribal Nations Summit

Staff attended the 2024 California Tribal Nations Summit. This annual event, co-hosted by the Governor's Office and the California Tribal Chairpersons Association, enabled tribal leaders to engage with the Administration on issues of mutual importance, with an emphasis on how we can work together to strengthen government-to-government relationships. The Summit was also an opportunity to set policy priorities and educate the Administration on tribal nations. We learned about the unique histories, cultures, and backgrounds of different tribes in California and discussed actions the state has taken and can take to address historical injustices and foster truth and healing. The Summit also focused on the [California Truth and Healing Council Report](#) and recommendations that will be published next year. State and tribal officials encouraged collaborative thinking about concrete solutions in the context of historical justice.

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Yessica Ramirez attending the California Tribal Nations Summit. Photo courtesy of Commission staff.



Group photo at the California Tribal Nations Summit. Photo courtesy of Commission Staff.

Offshore Oil and Gas Decommissioning Projects

Platform Holly

The Platform Holly team has started cutting the 30 well [conductors](#) that link the platform wellheads to the seabed and will be remediating shallow portions of nine wells which, together, are the final steps to permanently plug and abandon the platform's wells. The team expects to complete that work by the end of this year. Once that is done, 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 releasing a Notice of Preparation this Fall, which will initiate the CEQA process. That will be followed by a draft Environmental Impact Report for public review and comment, which is 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.

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Rincon Island

On March 15, staff released a draft [Environmental Impact Report](#) for the Rincon Phase 2 Decommissioning Project, with a 60-day public review and comment period that will end on May 15. This is a major step in this significant decommissioning project and a milestone staff has been working toward since Rincon Island Limited Partnership filed for bankruptcy. Staff will host two public meeting sessions on May 2 to receive comments on the draft and then work on completing the final Environmental Impact Report to be considered by the Commission later this year—likely in August.

Nuclear Power Plant Operations and Decommissioning

San Onofre Nuclear Power Plant (SONGS)

No new updates since the February 26, 2024, Commission meeting.

Diablo Canyon Nuclear Power Plant

On March 14, the California Coastal Commission approved [Application No. 9-23-0599](#), submitted by Pacific Gas and Electric Company (PG&E) to dredge roughly 70,000 cubic yards of sediment from the Diablo Canyon Power Plant seawater intake cove. [Item 41](#) on the agenda is to consider an amendment to PG&E's lease to authorize the dredging project.

Bolsa Chica Ecological Reserve

In February, a 30-foot deceased gray whale washed into the tidal inlet of the Bolsa Chica Lowlands Restoration Project in Huntington Beach. The whale had expired out in the ocean sometime prior. After several weeks, the location of the whale and tide conditions allowed a team to go in and harvest the whale bones. The team, consisting of staff from the Pacific Marine Mammal Center, the California Department of Fish and Wildlife, and the Commission's dredge contractor, collected most of the whale bones from the Bolsa Chica inlet. The skull alone weighed over 400 pounds! The bones are being analyzed by the National Marine Fisheries Service to potentially determine a cause of death and will be donated for local research and educational outreach programs.

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Photos courtesy of Melissa Borde, California Department of Fish and Wildlife.

Banner photo: Aerial photo of the Port of Los Angeles courtesy of the Port of Los Angeles.