

# EXECUTIVE OFFICER'S REPORT

June 7, 2024



## Offshore Wind Energy

### Offshore Wind Energy Strategic Plan

The California Energy Commission, in coordination with other departments, including the State Lands Commission, is updating the [AB 525](#) draft strategic plan based on feedback received during the public comment period. The final strategic plan is expected to be released this summer. Commission staff helped review comments, with a focus on the chapters on ports and permitting and sections on potential impacts on California Native American Tribes and underserved communities.

### Federal Programmatic Environmental Impact Statement

Staff continue to work with the Bureau of Ocean Energy Management on the development of a [Programmatic Environmental Impact Statement](#) for the five lease areas in federal waters off California's coast. The Bureau is expected to release a public draft of the Programmatic Environmental Impact Statement later this year.

### Pacific Offshore Wind Summit

Several staff members attended the 2024 Pacific Offshore Wind Summit hosted by [Offshore Wind California](#) in May in Sacramento. The Executive Officer participated in a panel discussion addressing timely and efficient federal and state permitting.



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## International Offshore Wind Partnering Forum

Staff participated in the Oceanic Network's [2024 International Offshore Wind Partnering Forum](#), a conference in New Orleans that facilitated discussions with governmental agencies and organizations engaged in offshore wind projects worldwide. Representing California alongside the California Energy Commission and Go-Biz, staff gained valuable insights from other states and the global community into offshore wind energy development.



## Offshore Wind Energy Fisheries Working Group

Staff participated in the third [California Offshore Wind Fisheries Working Group](#), which was established through the California Coastal Commission's process to approve federal lease sales. The working group was later codified in [SB 286](#) (McGuire, 2023). This third meeting was the first in person working group meeting. The working group is developing a statewide strategy to avoid, minimize, and mitigate impacts to fishing and fisheries from offshore wind.

## Budget Update

The Governor signed [AB 106](#) on April 15, implementing an early action budget agreement to reduce the budget deficit by roughly \$17 billion dollars. AB 106 reduced departmental budgets in 2024-25 by \$1.5 billion (\$762.5 million General Fund) for savings associated with vacant positions. The Governor's 2024-25 May Revision proposes making the reduction permanent. The Department of Finance

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will work with agencies and departments in the fall on the appropriate budget reductions starting in 2024-25 and intends to eliminate approximately 10,000 positions starting in 2025-26. AB 106 also added numerous one-time General Fund appropriation spending adjustments that resulted in the [Department of Finance](#) directing departments to suspend further expenditures of various one-time appropriations.

The May Revision includes \$16 million for offshore wind energy, including \$5.55 million for the State Lands Commission. This includes \$1.37 million to implement [SB 286](#) (McGuire, 2023) and \$4.2 million to process offshore wind lease applications, consult with California Native American Tribes and underserved communities, and support the development of a programmatic environmental impact and engineering review for offshore wind energy project development. The May Revision also includes funding authorizations for the Commission to implement the federal grant it received last December from the Department of Energy to reduce methane emissions from marginal oil and gas wells. \$1.13 million is available to spend in this fiscal year. The May Revision makes the remaining \$20.78 available in the 2024-25 fiscal year.

## **Tijuana River Transboundary Pollution Crisis**

The Tijuana estuary, home to more than 370 types of birds, multiple endangered species, and a variety of unique habitats, is the largest remaining coastal wetland in Southern California. Yet, this invaluable natural resource and the surrounding communities are threatened by the ongoing transboundary pollution. The Surfrider Foundation's [2023 Clean Water Report](#), released in May 2024, states the waters of Imperial Beach did not once meet state health standards in 2023. In April 2024, a new [report](#) by a nonprofit called American Rivers also raised an alarm, naming the Tijuana River one of the most endangered rivers in America because of the sewage crisis. The report reads, "The river joins the Pacific Ocean at beautiful beaches that were once frequented by families, swimmers, and surfers but are now choked with pollution, limiting coastal access and causing serious threats to public health."

Also in April, U.S. Senator Alex Padilla [wrote](#) to the U.S. International Boundary and Water Commission and the U.S. Army Corps of Engineers to request an update on how the agencies will work together to address the Tijuana River

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transboundary sewage pollution crisis and repair the South Bay International Wastewater Treatment Plant. Senator Padilla also successfully included a new Environmental Infrastructure authorization for the Tijuana River Valley Watershed in the Senate's [Water Resources Development Act of 2024](#). The provision would authorize \$10 million for water and wastewater infrastructure projects conducted by the U.S. Army Corps of Engineers. Staff are tracking the bill and collaborating with Senator Padilla's office, as well as continuing to engage with local, state, and federal leaders on efforts to address transboundary pollution.

## **Department of Energy Methane Emissions Reduction Grant**

Staff continue to make progress in implementing a nearly [\\$22 million grant](#) the Commission received from the Department of Energy to monitor and reduce methane emissions from oil and gas operations and for environmental restoration of well sites. Staff intends to identify wells that present the most significant potential liabilities to the state, especially those on public trust lands. Staff continue to focus on the West Wilmington field in Long Beach for most of the well remediation work because of its proximity to disadvantaged communities and the presence of marginal conventional wells.

Staff bought equipment to begin measuring methane emissions and trained our staff to do that. Staff is coordinating with the city of Long Beach and California Resources Corporation to screen wells in West Wilmington for methane emissions to help identify wells that are a priority to plug and abandon. The Department of Energy has provided methane emission measurement guidelines that will serve as a roadmap for detection and measurement work. Staff is also planning a community engagement meeting that it will hold before remediating any wells and is preparing to attend a convening in Pennsylvania this summer that the Department of Energy is hosting for grant recipients from California and other states.

## **Earth Day**

The Commission enthusiastically participated in an open house and Earth Day celebration co-hosted by CNRA and CalEPA. The event, which included about 20 other state agencies, featured interactive and family-friendly activities that highlighted work underway to conserve, protect, and restore California's natural and cultural resources. Our Marine Invasive Species Program staff operated a

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booth that showcased the Commission's work to protect waterways from invasive species introductions and included a fun "find the invasive species geographic point of origin." It was a wonderful collaborative effort that resulted in an educational and enjoyable Earth Day celebration.



## Town of Crockett Waterfront Clean-up

Staff participated in a waterfront clean-up project in the Town of Crockett as part of its Earth Day activities. Staff and other volunteers collected nearly 1,300 pounds of trash and 33 gallons of recycling during this very successful and important trash clean-up effort.



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## **Caulerpa Finding in the South San Diego Bay**

Staff continues to support a multi-agency effort to eradicate *Caulerpa prolifera*, a highly invasive marine alga, from south San Diego Bay. Commission staff, in its capacity as a member of the Southern California Caulerpa Action Team, signed a letter on April 30, to support a grant application for federal funds through the U.S. Fish & Wildlife Service to continue the eradication effort. Eradication efforts include using benthic barrier tarps to smother the expansive population of *Caulerpa prolifera* in the Coronado Cays area of south San Diego Bay, cutting off light, circulation, and gas exchange. The requested funds will also contribute to extensive surveys over several years to evaluate the effectiveness of the removal and to meet established criteria to officially declare the area eradicated.

## **Pacific Ballast Water and Biofouling Group**

The Commission's Marine Invasive Species Program staff participated in the 2024 Pacific Ballast Water Group meeting in April. Staff led several important discussions on state and federal policy development, ballast water sampling research, regional data sharing, and environmental risks related to normal ship operations and organism removal operations. This annual meeting is essential to regionally consistent policy implementation and to effective planning and collaboration with partner programs in the Pacific states of Oregon, Washington, and Hawaii.

## **Nature-Based Solutions: State Lands Commission Goals**

In April, the Governor unveiled [81 targets for nature-based solutions](#) to help California achieve its world-leading climate goals, including reaching carbon neutrality by 2045. The solutions include actions state entities can advance to help achieve the nature-based targets, including four that the State Lands Commission can advance. These include: 1. Develop a map layer of nature-based solutions and a process to track lease applications and projects that incorporate nature-based climate solutions and contribute to state climate targets. 2. Inventory and map the Commission's fire-prone lands to inform wildfire resilience efforts. 3. Recommend short-term leases for existing hard armoring structures when feasible. 4. Complete a regional GIS tidelands inventory and analyze the inventory to identify locations where hard armoring

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(grey infrastructure) is detrimental and could be transitioned to nature-based solutions.

## **Mono Basin Tribal Beneficial Uses Designation**

Staff sent the Lahontan Regional Water Quality Control Board a [letter](#) supporting the designation of waterbodies in the Mono Basin for tribal beneficial uses. The three new tribal beneficial uses are tribal tradition and culture, tribal subsistence fishing, and subsistence fishing. This designation would recognize and protect cultural practices, traditional water uses, and subsistence fishing by California Native American Tribes and other communities. Staff's support letter notes that Tribes in and around Mono Basin have been stewards of the land and natural resources since time immemorial. And as noted in Lahontan's [staff report](#) for the proposed designation, water is sacred to Indigenous people. It is a lifeline to their beliefs, culture, ceremonies, and livelihood. Mono Lake and its tributaries hold a rich and deep history of traditional and cultural practices for tribal members. The Mono Basin tribal beneficial uses designation will help restore these practices.

## **In Memoriam**

Two icons in the California natural resources world recently passed away, Will Travis (1943-2024) and Shirley Dettloff (1935-2024). Will Travis, known as "Trav," served as the San Francisco Bay Conservation and Development Commission Executive Director for many years. Among his many achievements was his early recognition that California needed to adapt to rising sea levels. Trav helped establish California's coastal management program soon after the federal Coastal Zone Management Act was established and was instrumental in enabling the public acquisition of 10,000 acres of privately-owned salt ponds along the San Francisco shoreline.

Trav served on the boards of numerous professional and civic organizations, including the City of Berkeley Planning Commission. He was widely regarded as a thoughtful leader and public servant deeply committed to the San Francisco Bay Commission. Staff served alongside Trav for many years as a member of the San Francisco Bay Conservation and Development Commission. He will be missed.

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Shirley Dettloff was a founding member of the [Amigos de Bolsa Chica](#), a nonprofit organization devoted to restoring and protecting the iconic [Bolsa Chica wetlands](#) in southern California. Shirley spent decades working to raise funds and awareness to save the wetlands. Today, more than 1,200 acres of Bolsa Chica wetlands are under the state's protection, through the stewardship of the State Lands Commission, and dedicated as an ecological reserve. Shirley was an invaluable resource and partner to the Commission in its work on behalf of the Bolsa Chica wetlands.

Shirley served on the Huntington Beach City Council from 1994-2000 and as Mayor in 1998. She held multiple board positions in service to the community and environmental issues, including serving five years on the California Coastal Commission. Shirley's dedication may be best summed up in her own words, "Fighting for something that's important is the obligation of every citizen." Shirley will be missed, but her dedication and shining spirit will continue to inspire us, and her legacy will live on through the Bolsa Chica wetlands.

## Offshore Oil and Gas Decommissioning Projects

### Platform Holly

Since March, the Platform Holly team has permanently plugged and abandoned 20 of 30 platform wells. Work is ongoing to remediate the shallow portions of nine remaining wells. That will be followed by removing the remaining conductors, the last step in the well plug and abandonment work. Staff anticipates that plug and abandonment of all wells will be completed by mid-August. Technical studies supporting the coming Environmental Impact Report are underway. Staff anticipates releasing a Notice of Preparation this Fall. That will be followed by the development of 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.

### Rincon Island

Staff held two public meeting sessions on May 2 in the City of Carpinteria on the Commission's [draft Environmental Impact Report](#) for the Rincon Phase 2 Decommissioning Project. The 60-day public comment period ended on May 15.



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Staff are now working through the comments, most of which are from the adjacent Mussel Shoals community, and preparing a final Environmental Impact Report for the Commission to consider later this year—likely at its August meeting.

## **San Onofre Nuclear Generating Station Decommissioning Project**

The U.S. Nuclear Regulatory Commission (NRC) inspected the San Onofre decommissioning activities in late April and early May. In a letter issued on May 20, the NRC stated its inspectors' reviewed implementation of decommissioning performance and solid radioactive waste management and transportation of radioactive material. Within the scope of the inspection, no violations were identified. In April, staff received a first quarter decommissioning update. The update consists of the continuation of onshore plant cleanup and preparing for demolition, removal, packaging, and shipping of waste and contaminated materials to licensed, off-site disposal facilities. In March, staff received the Unit 2 Discharge Conduit and Diffuser System Report for offshore pipelines. Last November, Pacific Maritime Group and Subsea Global Solutions performed underwater inspections, including inspecting each diffuser, manhole, and the surrounding mudline along the length of the Unit 2 diffuser section. All diffusers, manholes, and observed facility components were visually inspected and found to be in good condition. Southern California Edison anticipates performing a five-year assessment this summer as required in the Commission's lease. Offshore construction activities are anticipated to start in 2025, though that could change depending on the onshore decommissioning activities.

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