EXECUTIVE OFFICER'S REPORT



On October 8, 25 years ago, former Governor Gray Davis signed the Ballast Water Management for Control of Nonindigenous Species Act, directing the creation of what became known as California's Marine Invasive Species Program (MISP).

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During these 25 years, our MISP staff have cemented themselves as global leaders in invasive species prevention and research through innovative sciencebased policy development and effective collaborations at the local, state, regional, and international levels. It is an honor to recognize the great work that all MISP staff and Marine Environmental Protection Division inspection personnel have done over the years to protect California's coastal waters and to celebrate their 25th anniversary.



Our science team, in collaboration with the California State University Maritime Academy, published a peer-reviewed science paper in the journal <u>Frontiers in</u> <u>Marine Science</u> called <u>Technical Considerations for Sampling Ballast Water to</u> <u>Determine Compliance with Discharge Performance Standards</u>. This paper provides a blueprint for collecting and analyzing a sample from a vessel



discharging ballast water in a manner that is scientifically robust and legally defensible. The paper also recommends compliance-level sampling on a regular basis to ensure that treatment systems continue to work as expected after installation.

Staff continues to serve as a member of the Southern California *Caulerpa* Action Team that was convened to lead eradication efforts for the marine alga *Caulerpa prolifera* found in Newport Beach and <u>San Diego Bay</u>. These efforts continue with ongoing treatment in San Diego Bay and the establishment of a *Caulerpa* eradication threshold working group that our staff is participating in to establish conditions to eradicate this species from the infested waterbodies. The Commission <u>supported legislation</u> in 2023 to ban the sale or possession of all saltwater algae of the genus *Caulerpa*.

National Disability Employment Month

October is National Disability Employment Awareness Month. In celebration, the Commission's Disability Advisory Committee coordinated with the Department of Rehabilitation to provide a 2024 Windmills Training for all staff on October 9 and 10. Windmills trainings are high-impact, attitudinal trainings that empower and equip individuals to become more inclusive of individuals with disabilities in the workplace, and to be more objective in hiring, working with, promoting, and providing services to persons with disabilities. The title "Windmills" is derived from the literary classic Don Quixote. The goal of Windmills Training is to slay the dragons of misunderstanding created by fear, myths, biases, and stereotypes.

This year the training focused on "Taking the Emotion Out of Emotional Disabilities." It highlighted some of the typical differences in the treatment of emotional disabilities as opposed to physical disabilities and included discussion of reasonable accommodations for emotional disabilities. The training was attended by most State Lands Commission's staff, all of whom found the training to be very educational, insightful and inspirational.

Chumash Heritage National Marine Sanctuary Designation

On October 11, the National Oceanic and Atmospheric Administration's Office of National Marine Sanctuaries released a <u>final rule</u> to designate the Chumash Heritage National Marine Sanctuary in central California. The sanctuary will

protect important ecological habitats such as kelp forests, rocky reefs, and sandy beaches, a seabird hotspot, and significant offshore features including the Rodriguez Seamount, Arguello Canyon, and a portion of Santa Lucia Bank offshore of central California. As described in the final rule, this region and its abundant resources have been home to coastal, ocean-going Indigenous Tribes for over ten thousand years. Designating this sanctuary highlights Chumash and other Indigenous cultures and creates opportunities to better understand and protect ancient village sites that may exist along the now submerged paleoshoreline. The sanctuary designation will take effect at the end of a 45-day congressional and gubernatorial review period, which is anticipated to be in December 2024.

Environmental Justice and Equity

Our Tribal Liaison attended the <u>57th annual California Native American Day</u> at the State Capitol hosted by the California Tribal Chairpersons' Association and uplifted this year's theme: Celebrating 100 Years of Citizenship and the Fight for the Right to Vote: 1924-2024. Our Tribal Liaison also attended the Tribal Leaders Forum held the evening before.





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Staff chaired the San Francisco Bay Conservation and Development Commission (BCDC) Environmental Justice Working Group's <u>September</u> <u>meeting</u>. The meeting included a presentation of the BCDC environmental justice advisor's <u>2024-2026 work plan</u> and an update from an environmental justice advisory group. Staff participates in the Commissioner working group in its capacity as a voting member of BCDC.

IN IN MANAGEMENT

Yosemite Law Conference

Each year the California Lawyers Association hosts an Environmental Law Conference. The Environmental Law Conference at Yosemite is nationally recognized as the largest and most prestigious gathering in California of leaders in environmental, land use, and natural resources law. In September, the conference included a panel discussion entitled "Everything You Wanted to Know About the State Lands Commission But Were Afraid To Ask." The Executive Officer participated on the panel alongside former State Controller and State Lands Commissioner Betty Yee and Linda Krop, Chief Counsel for the Environmental Defense Center. The panel was moderated by former Supervising Attorney General Andrew Vogel. The panel discussion and questions from the audience allowed for a deep dive into the critical work the Commission does across the state benefitting all Californians. It was an honor to be part of such a distinguished panel and an amazing conference.



Newport Beach Mooring Rates

Staff continues to review information from the City of Newport Beach as part of its <u>larger review</u> of the City's management of its granted public trust lands. Staff is evaluating the methodology used by the City to establish rental rates for

moorings and residential piers, including the rate-setting processes and frequency, to ensure they reflect fair market value. Staff's review will identify and assess any discrepancies between rates and methodology for moorings and residential piers, as well as mooring permit transfer policies. Staff is reviewing historical rent rate data, City Council decisions, appraisals, and other information that the city provided in early September. Staff intends to complete its review and provide recommendations by the end of the year or early 2025 to ensure the City is managing residential piers and moorings in accordance with state law and the Public Trust Doctrine.

IN MANAGEMENT

The Executive Officer provided an informational update about this issue to the California Coastal Commission during its October meeting. The update provided a forum for public comment and commissioner questions.

Budget Update

The 2024-25 state budget assumes savings related to departments' vacant position funding and reduced operating budgets to achieve a balanced budget. The savings amount was calculated by reducing vacant position funding by 50 percent and decreasing operating budgets by up to 7.95 percent. This means that staff will have to reevaluate spending and exercise even more prudence when it comes to committing new funds.

The Governor signed <u>SB 1425 (Gonzalez)</u> into law on September 25. Effective January 31, 2025, this bill increases the state's monthly contribution to the Oil Trust Fund from \$2 million to \$5 million or 50 percent of the remaining revenue, whichever is greater, to fund the state's share of liability associated with the removal of oil and gas facilities in the City of Long Beach.

Refugio Beach Oil Spill: Natural Resources Damage Assessment

For many years, staff have been involved in selecting and overseeing projects associated with a <u>natural resources damage assessment</u> settlement established after the 2015 Refugio Beach oil spill. Staff recently visited three projects funded by the settlement. The projects include a freshwater marsh habitat rehabilitation and public access trail repair at the Ballona Wetlands in Los Angeles, enhancing the <u>Wishtoyo Chumash</u> Village in Malibu, and expanding a beach dune restoration project in Santa Monica.

The Ballona project resulted in the wetlands and its trails and recreation amenities being available again to visitors. The Wishtoyo Chumash Village Project, while still a work in progress, serves as an outdoor classroom, cultural gathering place, and scientific field site all in one. It houses traditional 'aps (tule and willow Chumash homes), a ceremonial circle and dancing grounds, and many material aspects of Chumash culture and lifeways. The trustee council has funded a new shed for equipment storage and construction of new 'aps. This work is still in progress, waiting for permits from the City of Malibu, but our staff was welcomed to the site to see the old 'aps and the rest of the village.

The Santa Monica Beach Dune Restoration Project aims to restore about five acres of sandy coastal habitats on the beach by using natural features to transform a portion of the beach into a sustainable coastal strand and foredune habitat complex resilient to sea level rise. Most of the beach is groomed and raked daily for the enjoyment of beachgoers. With this project, small portions of the beach are marked on three sides with a snowy plover enclosure fence with small educational signs, and further enhanced through invasive plant removal and native plant seeding. As a result, vegetation is stabilizing the sand and creating dune habitat for snowy plovers and other species while still allowing the public to enjoy the beach.





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EXECUTIVE OFFICER'S REPORT

Communications

Staff has been using our new Govdelivery e-list subscriber platform for a couple of months now. Our initial analytics look really good, with a high subscriber open rate. We have seen a 29 percent open rate increase over our previous platform. We are excited to continue leveraging this platform to enhance how we communicate with the public. We also issued the fourth edition of our internal newsletter, the ASD Buzz.

IN THE NEW DISCHARGE AND THE OWNER

Methane Emissions Reduction Grant

Staff are developing measurement and well prioritization plans and intend to identify candidate wells before the end of the year. Well plug and abandonment work is expected to begin in 2025. Staff has held several meetings with CalGEM to better understand the methodology used in their orphan well program so we can use that information to implement the <u>methane</u> <u>emission reduction program federal grant</u>. Staff also met with the California Resources Corporation and the City of Long Beach about the results of fugitive methane emission well screenings at the West Wilmington oil field and to discuss the next steps. Staff also meets monthly with the federal Department of Energy to report progress and discuss the next steps.

Staff published a new <u>website page</u> that provides information about the federal grant and our implementation. The website page enables the public to stay informed about our progress and learn about this program. It will provide preand post-methane measurement data for candidate wells and an interactive map that identifies idle and producing marginal wells in West Wilmington. It will also provide information about community engagement.

Offshore Oil and Gas Pipelines: Analysis of Impacts to Public Trust Resources and Values

Staff recently <u>selected a consultant</u>, Industrial Economics, Inc., to work with staff to prepare a report that analyzes impacts on public trust resources and values associated with Commission-issued pipeline leases that transport oil and gas from offshore platforms. The report will consider the risks and benefits of oil production and transportation in light of the climate crisis, energy needs, environmental concerns, and other factors. This follows a temporary moratorium on new offshore oil and gas pipeline leases that the Commission issued <u>last</u>

<u>December</u>. Staff expects the consultant and their subcontractors will begin work this fall. The report is due in December 2026 and will inform the Commission in its review of current and future applications for offshore oil and gas pipeline leases.

Transportation Fuels Transition Plan Working Group

The California Air Resources Board <u>2022 Scoping Plan Update</u> provides a path to transition away from fossil fuels and achieve carbon neutrality. The Plan calls for a multi-agency effort to systematically evaluate and plan for an equitable transition. The Board and the California Energy Commission formed a multi-agency stakeholder workgroup, which includes the California State Lands Commission, to develop a Transportation Fuels Transition Plan. Staff attended the first workgroup meeting on August 27 and looks forward to continuing to participate in this important work.

The workgroup is a joint effort by the California Air Resources Board and California Energy Commission in response to the 2022 Scoping Plan Update and Senate Bill X1-2. This Plan builds off the <u>Transportation Fuels Assessment</u>. The Transportation Fuels Transition Plan will focus on ensuring that petroleum and alternative transportation fuels remain affordable, reliable, equitable, and sufficient to meet demand. The Plan will analyze pathways and barriers to phasing down the production of fossil transportation fuels in California considering economic, legal, and practical factors. The Plan will outline refinery transition scenarios, recommend policies to manage fuel supply and demand, and propose strategies to maintain affordable fuel access—especially for rural and low-income communities. It will also recommend ways to support a fair transition for the workforce.

New Shell Island Marine Oil Terminal at the Port of Los Angeles

Our Marine Environmental Protection Division's review for the new Shell Mormon Island marine oil terminal in the Port of Los Angeles is nearly complete. This milestone, the culmination of over a decade of hard work by our staff, will significantly reduce the risk of oil spills at the new terminal by implementing major <u>MOTEMS</u> compliance upgrades. MOTEMS, one of the Commission's core regulatory programs, is a comprehensive standard for the analysis, design, inspection, and maintenance of marine oil terminals in California. The newly constructed terminal includes a robust wharf and mooring system at <u>Berth 168</u>

October 17, 2024



that replaces a timber wharf. There are six other terminals in Southern California in the process of becoming MOTEMS compliant.



Offshore Wind Energy

California Leases: Federal Programmatic Environmental Impact Statement

Staff continue to work with the Bureau of Ocean Energy Management (BOEM) to develop a <u>Programmatic Environmental Impact Statement</u> for the five lease areas in federal waters off the California coast. BOEM is expected to release the draft later this year. Staff signed a <u>Memorandum of Understanding</u> in July to facilitate communication and information sharing.

Considerations for Siting Transmission Infrastructure

On October 3, staff from the Commission, the California Energy Commission, the California Coastal Commission, the California Public Utilities Commission, and the California Independent System Operator sent a joint letter to the Department of Energy in response to its <u>Request for Information</u>. The letter identified important considerations for the siting of transmission infrastructure such as tribal cultural resources, marine protected areas, and existing infrastructure.

Tribal, Fisheries, and Environmental Justice Outreach

Staff continue to engage tribal governments and communities through the Energy Commission-led Tribal-Offshore Energy Working Group. Staff participate

as members of the <u>California Offshore Wind Fisheries Working Group</u>, which is nearing its half-way point in producing a strategy to avoid, minimize, and mitigate impacts to fishing and fisheries. Staff continue to engage with environmental justice communities regarding this new industry. Our engagement has focused on port-adjacent communities. We have also been working with BOEM, in tandem with other agencies, to guide an outreach and engagement strategy for their Programmatic Environmental Impact Statement.

Offshore Wind Energy Surveys of Federal Leases and Cable Corridors

Atlas Offshore Wind completed its 2024 surveys within its lease in federal waters but has delayed surveys in state waters until 2025. Atlas' contractor, eTrac, has a geophysical survey permit from the Commission. <u>Golden State Wind</u> and <u>Canopy Offshore Wind</u> (aka RWE) also surveyed in their federal leases in 2024. <u>Vineyard</u> and <u>Even Keel Wind</u> (aka Invenergy) are developing survey plans for submittal to BOEM. Staff do not anticipate receiving survey permit applications from these lessees within the next six months.

Offshore Wind and Port Development

Governor Newsom signed <u>AB 2235</u> (Lowenthal, 2024) into law, which allows the Port of Long Beach to use flexible procurement methods to design and build a staging and integration site known as <u>Pier Wind</u>. Relatedly, the Commission issued a permit in August that allows the Port to obtain shallow seafloor samples to facilitate this project.

The Humboldt Bay Harbor and Conservation District held a site tour in September for state and federal agencies. Owing to budget restrictions, staff only participated in the virtual meeting portion. Staff continue to engage with the District, including by participating in its Mitigation Planning Regulatory Agency Working Group.

Staff are collaborating with the Port of Long Beach and Humboldt Bay Harbor District to develop a Memorandum of Understanding to enhance engagement and transparency about port activities supporting offshore wind. Staff is meeting with stakeholders and hopes to bring the Memorandum of Agreement to the Commission in December.

EXECUTIVE OFFICER'S REPORT

CADEMO

Staff continue to work with Cierco and Cooperating and Responsible agencies on the CADEMO Project. Staff are finalizing a Memorandum of Understanding with the Department of Air Force, California Coastal Commission, and National Oceanic and Atmospheric Administration to share information, environmental analysis, and interagency communication.

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Wave and Tidal Energy

Staff continue to work with the California Energy Commission and other state agencies to implement <u>SB 605</u> (Padilla, 2023), which mandates a report about the feasibility, costs, and benefits of using wave and tidal energy. The California Energy Commission released an initial report in August and anticipates releasing a second report in early 2025.

Offshore Oil and Gas Decommissioning Projects

Platform Holly

Work to cut and remove the remaining well conductor pipes connecting the platform to the seabed was finalized in early September, marking the last stage of the platform's well abandonment work and eliminating any future possibility of producing oil or reactivating the platform. Work is now progressing to clean and harden the platform for the period between de-staffing and actual decommissioning / removal. This involves installing solar powered navigation aids, security systems, and cameras, which will monitor the platform during the caretaker period.



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Technical studies supporting the coming Environmental Impact Report are underway. Staff anticipates releasing a Notice of Preparation by the end of the year, 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.

Rincon Island

In August, the Commission certified a <u>Final Environmental Impact Report (EIR)</u> for the Rincon Phase 2 Decommissioning Project and approved the proposed project. Staff is proceeding with the approved site remediation project subject to funding availability.

Nuclear Power Plant Operations and Decommissioning

San Onofre Nuclear Power Plant (SONGS)

All spent fuel at the site, including low-level radioactive waste, is now stored in the Independent Spent Fuel Storage Installation. The Independent Spent Fuel Storage Installation is a complex designed and constructed for the interim storage of spent nuclear fuel; solid, reactor-related, greater than Class C waste;

and other associated radioactive materials. The fuel and materials are stored in dry casks. The installation is licensed by the Nuclear Regulatory Commission independently of its associated power plant. Other installations in California are located at Diablo Canyon, Rancho Seco, and Humboldt Bay

Now that all the spent fuel is in dry cask storage, the SONGS exclusion area is no longer required and has been eliminated from SONGS procedures in compliance with the Commission's Lease (PRC 6785). In January 2023, the Nuclear Regulatory Commission approved the exclusion area change. As required by Special Provision 32 of the Commission's Lease, Southern California Edison (SCE) subsequently consulted with the California Coastal Commission to ensure that the change would not conflict with their permit conditions. In June 2024, the California Coastal Commission amended its permit to reflect the elimination of the exclusion area while continuing to require SCE to maintain the public access walkway until the SONGS site is restored (after the spent fuel is removed and relocated offsite). SCE also modified its agreement with Camp Pendleton, the State, and local agencies to perform duties within the controlled area boundary under emergency conditions because SCE no longer controls areas beyond the site boundary.

The public has full access to the beach area, the bluff overlooking the Independent Spent Fuel Storage Installation, and the Pacific Ocean on the seaward side of SONGS. As required by its permit from the California Coastal Commission, SCE will continue to maintain the public access walkways until the SONGS site is restored after spent fuel is removed. Offshore construction is anticipated to start in 2025, though that could change based on the progress of onshore decommissioning activities.

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