

Landmark \$72.5 Million Settlement Holding Oil and Gas Pipeline Operator Accountable

In November, the Commission <u>announced</u> a <u>groundbreaking settlement</u> with Plains All American Pipeline LP, the entity responsible for the devastating 2015 Refugio Beach oil spill in Santa Barbara County. The Commission and Aspen American Insurance Company sued Plains in 2018, alleging that Plains' negligent maintenance of its pipeline unjustly shifted decommissioning liability to California taxpayers and terminated the state's royalty income. Plains' negligence also resulted in property damages to Platform Holly in Santa Barbara County that required the Commission's immediate attention to ensure public health and safety. The state will receive \$50.5 million from the settlement. This is a decisive victory for California taxpayers that holds the operator accountable and compensates the state for the fiscal damages caused by this spill.

This settlement follows a victory last year when a federal district court in Delaware ruled in the <u>Commission's favor</u> in litigation brought by the Venoco Trustee, finding that the Commission's operation of the Ellwood Onshore Facility in Goleta averted harm to the public's health and safety, protected the environment, and was a proper exercise of the Commission's police powers.

Environmental Justice and Equity

Staff met with the Central Coastal Alliance United for a Sustainable Economy (CAUSE) regarding a lease amendment application for the Ormond Beach Generating Station in Oxnard. The meeting enabled the community to share their perspectives and concerns about the generating station and the lease application.

Staff also traveled to the City of Marina in Monterey County to meet with community members regarding a California American Water (Cal-Am) lease application involving a proposed desalination facility. Staff started the day by visiting the old CEMEX sand mining lagoon and other key points of interest with the Marina City Manager and Councilmember. The public engagement meeting was well attended, with more than 50 community members attending. Staff received a first-hand account of community members' perspectives and concerns about the proposed desalination facility.



Public Engagement

Staff attended the Pacific Inter-Club Yacht Association fall management conference at the Stockton Sailing Club. Staff gave a presentation on the Commission's leasing jurisdiction, the application process, and lease requirements. While not all yacht and boating clubs are located within the Commission's leasing jurisdiction, and this club is located on legislatively granted lands, members were interested in learning about the Commission and its land management responsibilities.



The Commission's lead surveyor participated in a college and career fair at Sutter Elementary School in Antioch, joining businesses and colleges to discuss surveying and boundary careers and college pathways for this profession. Almost 200 curious elementary school students attended.





Our abandoned vessel staff participated in the State Parks' and California Coastal Commission's new podcast, Dockside, to talk about the Commission's abandoned vessel work. Dockside is an educational podcast targeting recreational boaters, water enthusiasts, boating facility operators, and anybody who is interested in these topics. The title of the episode our staff participated in was *Tackling Abandoned and Unwanted Vessels in California*. Staff talked about abandoned vessels in California, why they are a problem, state options to assist public agencies and boaters in preventing vessel abandonment in navigable waterways, and when they are abandoned, ways to assist with their disposal.

Staff also presented to the Clean Boating Network, a collaborative of government, environment, business, boating, and academic organizations working to increase and improve clean boating education efforts in California.





Hollister Ranch Coastal Access Program

Staff participated in an Environmental Impact Report analysis kickoff site visit with our consultant, Ascent Environmental, and Hollister Ranch representatives. Staff viewed the potential staging area for visitor parking and access roads, and visited the six beaches proposed for public access.



Alegria Beach, facing east.



Top of the bluff at Bulito Beach, facing west.

Credit for both photos: Ascent Environmental, Inc.

Methane Emissions Reduction Grant

Well plug and abandonments in the West Wilmington oil field are expected to start in 2025. Staff has prepared a well prioritization plan and is developing a methane measurement plan as required by the Department of Energy's guidelines. Staff continues to meet monthly with the Department of Energy to report progress and discuss the next steps. Staff is keeping our new <u>webpage</u> updated so the public can find information about the status of our well plug and abandonment work and the federal grant. Staff is also working on a public engagement plan.

Marine Invasive Species Program

Agenda Item 65 is the Commission's 2025 Biennial Report on the California Marine Invasive Species Program. The report summarizes vessel arrival patterns, reporting compliance, and inspections. It also reports on ballast water discharge and management and biofouling maintenance and vessel operational practices and compliance. The report coincides with the Program's 25th



anniversary and highlights program accomplishments over the past 25 years, including how our program has been internationally renowned for its visionary, science-based leadership.

Our Marine Invasive Species Program Manager joined global experts at the International Maritime Organization's third GloFouling research and development forum in Busan, Republic of Korea. Staff shared lessons learned from California's experience as the first regulatory body globally to implement comprehensive biofouling management regulations and how that can influence international policy development.

In October, an invasive freshwater species called the golden mussel was discovered at the Port of Stockton. This is the first detection of this invasive species in North America. Golden mussels pose a major and immediate threat to the Delta because they can significantly alter food webs and clog water intakes and fish screens that are important for water conveyance systems. Our Marine Invasive Species Program scientists are part of an interagency task force, led by the California Department of Fish and Wildlife, that mobilized in response to this new invasive species.



Offshore Wind Energy

Offshore Wind and Port Development

Agenda item 68 is the consideration of a Memorandum of Understanding with the Port of Long Beach and the Humboldt Bay Harbor, Recreation, and Conservation District to confirm our collective intent to support the responsible, equitable, and sustainable development of port infrastructure to support



offshore wind energy as a means to advance climate goals, improve public health, increase energy independence, advance energy equity, and support a clean energy economy.

The Energy Commission and the Port of Long Beach are co-hosting the California Ports and Offshore Wind Symposium next February in Long Beach. Inperson capacity is limited so early registration is recommended. The event will also be live-streamed for those wishing to attend remotely.

California Leases: Federal Programmatic Environmental Impact Statement

On November 13, the Bureau of Ocean Energy Management released a draft <u>Programmatic Environmental Impact Statement (PEIS)</u> for the five offshore wind lease areas in federal waters off the California coast. The Draft PEIS analyzes programmatic avoidance, minimization, mitigation, and monitoring measures that may be required as approval conditions for future proposed offshore wind projects in California. Staff is reviewing the document; the deadline for comments is February 12, 2025.

Offshore Wind Energy Surveys of Federal Leases and Cable Corridors

Atlas Offshore Wind, Golden State Wind and Canopy Offshore Wind each conducted geophysical surveys in their lease area (in federal waters) this year. Golden State Wind plans to deploy two meteorological/oceanographic buoys in their lease area this month (more information can be found here). Vineyard and Even Keel Wind (aka Invenergy) are developing survey plans for submittal to the Bureau of Ocean Energy Management. Members of the public interested in staying informed about surveying in state waters may <u>subscribe</u> to updates from the <u>Commission's Geophysical Survey Permit Program</u> and follow Commission agendas for permit applications.

Tribal, Fisheries, and Environmental Justice Outreach

Staff continue to engage tribal governments and communities through the California Energy Commission-led Tribal-Offshore Energy Working Group. Staff participate as members of the <u>California Offshore Wind Fisheries Working Group</u>, which is at 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 thus far has focused on port-adjacent communities.



Wave and Tidal Energy

Staff continue to work with the California Energy Commission and other state agencies to implement SB 605 (Padilla, 2023), which mandates the preparation of a report about the feasibility, costs, and benefits of using wave and tidal energy. <u>Phase 1 of the report</u> is available for public comment until January 2, 2025. A second phase will include the identification of suitable sea space for wave and tidal technologies, the identification of mitigation measures, and monitoring and adaptive management strategies for projects. Updates on the second phase of work can be found on the <u>Energy Commission's SB 605 Wave and Tidal webpage</u> and by subscribing to the Offshore Renewable Energy list serve available via that webpage.

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

Staff is negotiating a scope of work and budget with its consultant and if sufficient funding is available, will begin preparing a report that analyzes impacts on public trust resources and values from 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 last December. 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.

Offshore Oil and Gas Decommissioning

Platform Holly

In early November, Platform Holly was successfully decoupled from all onshore utilities (powered off) and placed in caretaker status with essential navigation and safety systems supplied by onboard solar power.





Technical studies supporting the coming Environmental Impact Report are underway. Staff anticipates releasing a Notice of Preparation in the first half of 2025, 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 2026. ExxonMobil will decommission Platform Holly, at its expense, after the Commission certifies the Environmental Impact Report.

Also of note is that Scientific American <u>published a story</u> last month about offshore oil and gas platform decommissioning with a focus on Platform Holly.

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