

# ACTING EXECUTIVE OFFICER'S REPORT

June 3, 2025



## **State Budget:**

The Governor's January proposed budget projected a modest surplus for fiscal year 2025-26. The [May Revision](#), however, shows an estimated shortfall of \$12 billion owing to changing national conditions and the impacts of federal policies and broad tariffs on California's economy. The Governor has several proposals to bridge that shortfall, including not funding scheduled pay increases to state employees established in ratified labor agreements and authorizing the Department of Finance to reduce employee compensation if collective bargaining agreements to achieve savings are not in place by July 1, 2025. The Legislature and Governor are negotiating these details as they work to meet the June 15 budget bill deadline.

The Commission's 2025-26 budget in the May Revision is just over \$62 million. It includes a reduction of \$3.3 million and 15 positions based on the vacancy savings, position eliminations, and government efficiency reduction adjustments in last year's budget.

## **Sea Level Rise and Climate Change:**

### [Public Trust Guiding Principles for a Resilient San Francisco Bay](#)

Commission staff, in partnership with the San Francisco Bay Conservation and Development Commission, are [developing guiding principles](#) that address sea level rise adaptation and development on public trust lands in the San Francisco Bay. Staff hired a consultant, Ascent, Inc., to conduct stakeholder outreach to learn more about how waterfront development and sea level rise adaptation projects affect the public. Staff hope to release draft guiding principles for public comment in fall 2026 and final guiding principles the following winter.

## **Environmental Justice and Tribal Affairs:**

Staff participated in an intergovernmental meeting as a follow up from last year's Clear Lake Hitch Summit to continue discussions on co-management opportunities for the Clear Lake Watershed and the Clear Lake Hitch. Meeting participants included tribal governments and federal, state, and local governments. The meeting was a brainstorming exercise to begin the conversation about what co-management of the watershed could look like and come up with tangible next steps.

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## **Tijuana River Valley Transboundary Pollution Crisis:**

Efforts to expand and update the South Bay International Water Treatment remain underway. In May, the International Boundary and Water Commission and the U.S. EPA announced an [accelerated timeline](#) to expand the plant's capacity from 25 to 35 million gallons per day within 100 days. Another recent development is that Chad McIntosh was appointed as the new commissioner for the U.S. Sector of the International Boundary and Water Commission.

## **Offshore Wind Energy:**

### **Pacific Offshore Wind Summit**

Staff attended the [2025 Pacific Offshore Wind Summit](#) hosted by Offshore Wind California in Sacramento. Amy Vierra, Senior Environmental Scientist, participated in a panel addressing timely and efficient federal and state permitting.



*Photo Courtesy of Quint @quintconnect (Photographer: Joha Harrison)*

### **Offshore Wind and Ports**

[AB 3](#) (Zbur, 2023) requires the California Energy Commission, in consultation with the State Lands Commission and other agencies, to develop a second phase plan and strategy for seaport readiness that builds on the AB 525 strategic plan for offshore wind energy development. The bill requires the California Energy Commission to submit two reports to the Governor and Legislature. The first, due

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in December 2026, is a second phase plan for seaport readiness that builds off the [AB 525 Strategic Plan](#). The second, due one year later, is a feasibility study of achieving 50 and 65 percent in-state assembly and manufacturing of offshore wind energy projects. Staff is part of an interagency group contributing to the development of the reports.

## **Marine Invasive Species Program:**

Staff co-hosted the annual Pacific Ballast Water and Biofouling Group meeting in Long Beach. This group unites statewide invasive species prevention programs from California, Oregon, Washington, and Hawaii, and shipping industry representatives and researchers. Staff provided five programmatic and research presentations and coordinated a visit to the Port of Long Beach's Alan Lowenthal Global Trade and Education Center.



*Staff joined attendees of the Pacific Ballast Water and Biofouling Group annual meeting for a tour of the Port of Long Beach's Alan Lowenthal Global Trade and Education Center.*



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The Commission's Marine Invasive Species Program continues to be one of the few programs globally that collect and analyze ballast water samples to assess compliance with ballast water discharge performance standards. Staff joined a virtual workshop hosted by the Smithsonian Environmental Research Center to discuss sampling protocols and share lessons learned with global research groups and regulatory programs.



*Staff sampling ballast water from a vessel in Stockton.*

Lina Ceballos (pictured above on the left) is an environmental scientist in our Marine Invasive Species Program. Lina was selected to be a mentor for the international [Maritime SheEO mentorship program](#) to guide and empower women in maritime industries. Lina's involvement will raise international awareness about the Commission and its Marine Invasive Species Program and will have a big impact on the next generation of leaders in maritime fields.

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## **Granted Public Trust Lands:**

Staff visited the City of Alameda and met with the City Manager and staff to view the progress made in redeveloping the former [Naval Air Station at Alameda Point](#). The Commission previously executed a [title settlement and exchange agreement](#) to facilitate this redevelopment. Two of the four exchange phases have been completed. Some former Navy buildings have been renovated or replaced, and the area has attracted commercial and industrial tenants involved in blue tech, aerospace, technology, and food and beverage service. Waterfront portions of the former Air Base have been redeveloped into a public park to improve open space and public use of the waterfront. The [De-Pave Park](#) project, while still in the planning stage, is intended to remove tarmac and buildings on 12 acres of waterfront land and develop a public park that will adapt to future sea level rise by leveraging rising tides to create a restored wetland. The City also plans to develop a ferry terminal, over 2,000 new homes, restaurants, retail, other public parks, and campgrounds in the area. The Commission was instrumental in facilitating the redevelopment and continues to work with the City to ensure its success and to establish and promote public access to the waterfront.

## **Methane Emissions Reduction Program:**

In January, staff received a letter from the federal Department of Energy directing the Commission to pause grant implementation. In April, the Department notified staff that the Commission may resume implementing the grant. Staff is working to identify wells in West Wilmington for plug and abandonment. These wells must meet the methane leakage criteria in the [Methane Emission Reduction Program federal grant](#) guidelines.

Staff has met with California Resources Corporation and the City of Long Beach to discuss the results of fugitive methane emission well screenings at the West Wilmington oil field and resumed monthly meetings with the Department of Energy to share progress and discuss next steps. Staff will continue to update its [website page](#) that provides information about grant implementation and future community engagement plans.

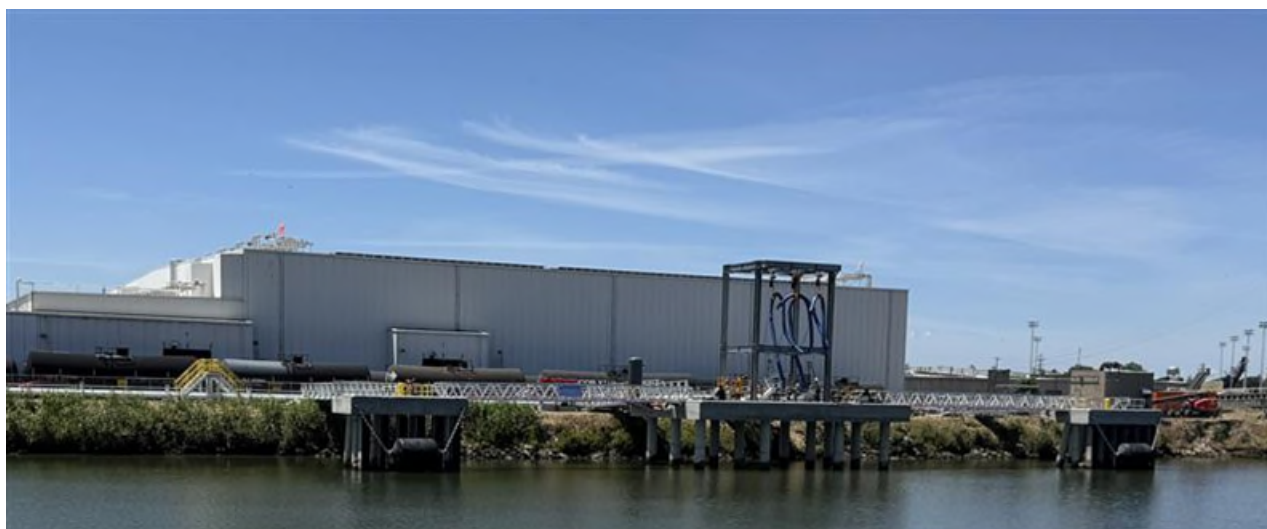
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## **Marine Oil Terminals:**

The [BWC Stockton Berth 8 Terminal](#), the first newly constructed marine oil terminal in California in nearly 30 years, will play a significant role in the renewable fuels supply chain. The BWC terminal is being built to comply with the Commission's [Marine Oil Terminal Engineering and Maintenance Standards](#). The facility has modern safety and environmental systems, including spill containment, fire protection, seismic resilience, and upgraded vessel mooring infrastructure.



## **Offshore Oil and Gas Decommissioning Projects:**

### **[Platform Holly – offshore Santa Barbara:](#)**

Platform Holly remains powered off and in caretaker status. The navigation and safety systems on the platform are provided through solar power. Staff visit the platform regularly to maintain navigation and safety precautions and monitor the Platform's condition. Staff will prepare an Environmental Impact Report to analyze platform decommissioning and anticipate releasing the Notice of Preparation for that later this year. ExxonMobil will decommission Platform Holly at its expense after the Commission certifies a final Environmental Impact Report.

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## Rincon Island – offshore Ventura:

In 2024, the Commission certified an Environmental Impact Report for the Rincon Phase 2 Project concerning the final disposition of Rincon Island, an onshore facility, and onshore pipeline connections in Ventura County. In December, the Commission accepted a land donation from Coast Ranch Family, LLC, of a parcel that allows unimpeded access to the onshore facility and more complete remediation of soil contaminants from nearly 80 years of onsite oil production and treatment. To integrate the donated parcel into the larger Phase 2 Project, staff is developing an addendum to the Environmental Impact Report that will analyze the effects of remediating the donation parcel. Staff expect to bring the Addendum to the Commission later this year and secure a contractor to start the decommissioning work, also later this year.

## Staff Updates:

The Commission welcomed Daniel He to our Marine Environmental Protection Division and Andy Wang and Matt Wolf, Student Assistants, to our Information Services Division. Additionally, Emma Shipman will be joining our Records team, Malathy Thileepan will be joining our Accounting team, and Raquel Ramirez has accepted our conditional job offer as the Commission's first Community Engagement Specialist.

Jeff Enomoto with our Mineral Resources Management Division celebrated 25 years of state service. Thank you Jeff for your many years of service.

## Earth Day Events:

Staff joined other natural resources agencies at an Earth Day celebration hosted by the California Natural Resources Agency. Staff had a table at the event that showcased our marine invasive species and sea level rise preparedness programs and provided hands-on activities for kids and their families. Staff also participated in a waterfront clean project in the Town of Crockett.

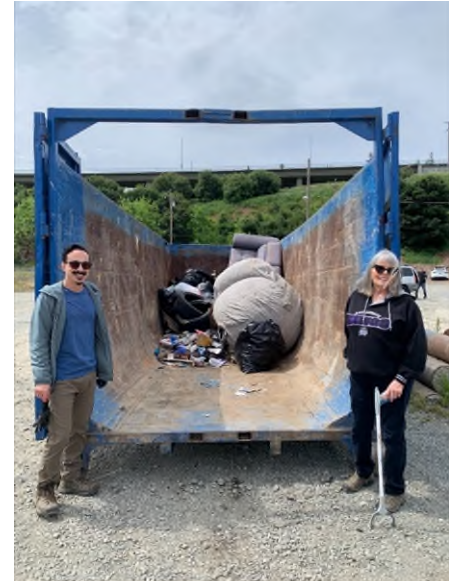


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*Staff representing the Commission at CNRA's Earth Day Open House*



*Staff cleaning up the Crockett Waterfront*

## **Public Service Recognition Week:**

The first week in May was Public Service Recognition Week. It is a week dedicated to recognizing the dedication and public service of government employees. Our managers organized and hosted a nacho bar and ice cream social for our staff to show appreciation and gratitude for the work they do on behalf of the public. Staff gathered together to enjoy each other's company and refreshments. It was a great opportunity to celebrate and thank our staff.



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