



State Lands Commission October Meeting Highlights

The October Commission meeting began with an update about SB 50 (Allen) and SB 44 (Jackson)—legislation signed into law earlier this month that affects the Commission. The Commission’s Executive Officer reported that SB 44 requires the Commission, if the Legislature appropriates funding, to administer a coastal hazard and legacy oil and gas well removal and remediation program. SB 50 will make certain conveyances of federal lands void unless the Commission is provided with the right of first refusal or the right to arrange for the property to be transferred to another entity. SB 50 also requires the Commission, the Wildlife Conservation Board, and the Department of Fish and Wildlife to enter into a memorandum of understanding to establish a policy that these agencies will undertake all feasible efforts to protect against a future unauthorized conveyance or change in federal public land designation.

After the Executive Officer’s report, the Commission took action on almost one hundred leases, contracts, or other authorizations that involve the State’s tide and submerged lands, beds of navigable waterways, granted public trust lands, and school lands. The Commission also approved amending certain oil and gas leases in the Huntington Beach area to reduce idle well counts, establish a sinking fund, and modify the price-based sliding scale royalty. This innovative approach to oil and gas resource and land management is intended to protect the State’s interests and diminish its future potential liability.

INFORMATIONAL PRESENTATIONS

There were several informative informational presentations. One was about an innovative partnership between Altasea and Port of Los Angeles to accelerate scientific collaboration, inspire the next generation for a more sustainable ocean, and facilitate job creation and public access to state tidelands along the Los Angeles waterfront. Part of their presentation focused on the Port of Los Angeles’ public access infrastructure investment plan for its waterfront and efforts to activate the waterfront with amenities that attract visitors. The other presentation was by New America Media, which is an ethnic, community, and cross-cultural media organization devoted to expanding environmental justice opportunities in the media. New America Media is focused on effective communication in a state as diverse as California, where approximately 40 percent of residents speak a language other than English. New American Media is deeply committed to the communities it serves and can help the Commission as it strives to update its environmental justice policy and incorporate environmental justice principles into its work.

POSEIDON RESOURCES/AES HUNTINGTON BEACH LLC LEASE AMENDMENT APPLICATION

Much of the meeting centered on the proposed Poseidon desalination plant in Huntington Beach and an application from Poseidon Resources and AES Huntington Beach LLC to amend, for the second time, an existing lease that the Commission originally issued in 2007 and amended in 2010. The agenda item included a discussion about environmental justice, water quality, water cost, water reliability, reducing energy consumption and greenhouse gas emissions, and the environmental impacts of desalination to the ocean and marine life, among other things.

The meeting was packed with speakers on this agenda item and the Commissioners heard from many people and organizations who support and oppose Poseidon's proposed desalination project.

On this item, the Commission unanimously decided to certify the Supplemental Environmental Impact Report and approve the lease amendment application, as amended, with a requirement that Poseidon offset or avoid 100 percent of all direct or indirect greenhouse gas emissions in the plant's construction and operation and submit a plan to the Commission 90 days before construction starts that explains how they will comply with this requirement. This means that the plant will be more energy efficient and to the maximum extent possible will be 100 percent carbon neutral without providing offsets. The Commission, when evaluating the plan Poseidon submits before construction begins, will consult with the California Air Resources Board and the California Energy Commission. Poseidon shall also report annually to the Commission on compliance with this requirement.

Under the lease amendment, the Bolsa Chica Lowlands Restoration Project, the nearest Marine Protected Area to the proposed project site, will receive \$300,000 per year for preserving and enhancing the coastal wetlands and accompanying public trust resources. This will bolster habitat protection and rehabilitation, which includes important fish species and migratory shorebirds.

CLOSED SESSION DISCLOSURE ENHANCEMENTS

At the August meeting, the Commission directed staff to develop recommendations on improving and enhancing public transparency relating to the Commission's Closed Session agendas, without prejudicing the state. At the October meeting, the Commission was updated about ways it can enhance transparency relating to Closed Session items. There are different ways the Commission can implement enhanced transparency, including reporting more accessible information in the public agenda about what will be discussed in closed session, and if it is reasonable to vote in public, the Commission may do so after a Closed Session discussion. The Commission will also be more descriptive to the extent it can, with the goal of being more transparent and improving its communication with the public about these issues. These efforts reflect the commitment of the Commission and its staff to examine each matter presented to the Commission on a case-by-case basis to maximize transparency.