

**STAFF REPORT**

**78**

A 35, 37

08/23/19

A2152

S 19

S. Meshkati

G. Kato

**GENERAL LEASE – OTHER**

**APPLICANT:**

IP Renewable Energy Holdings LLC, a Delaware limited liability company; IDEOL S.A., a French limited liability company

**PROPOSED LEASE:**

*AREA, LAND TYPE, AND LOCATION:*

Sovereign land located in the Pacific Ocean, bounded to the west by the federal/state water line 3 nautical miles offshore, to the east by the Vandenberg State Marine Reserve and a line drawn 1 nautical mile offshore, to the south by the Point Conception State Marine Reserve, and to the north by the point at Longitude: -120.66709, Latitude: 34.68932, Santa Barbara County.

*AUTHORIZED USE:*

Scientific data collection, including installation, use, and maintenance of a Metocean buoy and conducting biological surveys.

*LEASE TERM:*

3 years, beginning August 23, 2019.

*CONSIDERATION:*

\$140 per year and the public use and benefit, as the information collected will result in a statewide public benefit, with the State reserving the right at any time to revise the monetary rent if the Commission finds such action to be in the State's best interests.

*SPECIFIC LEASE PROVISIONS:*

Liability Insurance: \$1,000,000 per occurrence.

Other:

- Lessee will make public all non-proprietary information collected, including, but not limited to biological surveys, wind studies, bird surveys, and feasibility studies of the site

## STAFF REPORT NO. 78 (CONT'D)

for potential deployment of offshore floating wind energy systems.

- Lessee acknowledges the authorization of the data collection lease is not an assurance that future use of sovereign land will be authorized.
- Lessee acknowledges that the lease does not authorize geophysical surveys or geotechnical surveys.

### **STAFF ANALYSIS AND RECOMMENDATION:**

#### **Authority:**

Public Resources Code sections 6005, 6216, 6301, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000, 2003, and 2004.

#### **Public Trust and State's Best Interests Analysis:**

The Applicant proposes to conduct environmental data collection surveys including the placement of a Metocean buoy to determine the suitability of the general area for a potential future offshore floating wind electrical generation project in the Pacific Ocean.

The lease premises is located in State waters off the coast of Lompoc and Vandenberg Air Force Base, Santa Barbara County. The lease premises would cover roughly 40 square miles. Approximately 11 square miles of the lease premises is located within mapped leatherback sea turtle critical habitat. The buoy would be installed toward the northern portion of the site but outside the leatherback sea turtle critical habitat by approximately 1,500 feet.

The Applicant proposes to install the Metocean buoy to assess site-specific weather, wave, and soil conditions in the general vicinity. The buoy would be moored onto the seabed with clump weights connected to a single chain. Water depth at the site is estimated to be between 130 and 230 feet. The mooring chain would be roughly three times as long as the water depth to account for tidal action. The excess portion of the chain would rest on the seabed. Minimal disturbance of the seabed would occur during installation and ultimate removal of the mooring system. A qualified biological monitor would be present for seabed-disturbing activities associated with anchoring and mooring to ensure there is no presence of sensitive marine plants or animals. The buoy would be deployed for up to 3 years and would be removed at the conclusion of the lease term. The buoy would be brightly colored and affixed with a small night light and would be highly visible by recreational, commercial, and military vessels both during the day and night. The buoy is proposed to be installed at least 2 miles offshore and would not result in a change of scenic views.

## STAFF REPORT NO. 78 (CONT'D)

The Metocean buoy and its mooring system would require periodic maintenance. A light workboat or crew transfer vessel would access the site during daylight once every 2 months for maintenance.

Additionally, the Applicant proposes to conduct biological surveys including a marine habitat assessment and avian counts via small vessels. Qualified biologists would perform a marine habitat assessment of the site and conduct SCUBA dive surveys using a small ocean vessel or autonomous submarine glider. Marine mammal surveys would also be conducted using visual observation. The season, number, locations, and duration of surveys would be determined in consultation with California Department of Fish and Wildlife and NOAA Fisheries. Preliminary timing and duration estimates include bird count surveys taken for 1 week at up to 10 locations throughout the site during each of four seasons for up to 2 years and marine habitat assessment conducted throughout the site over a period of 2 weeks during the first year.

The activities proposed would generate information needed to determine the feasibility of the location for a potential offshore floating wind system. The lease would require the Applicant to share non-proprietary information resulting from the activities conducted with applicable regulatory agencies, such as California Department of Fish and Wildlife and NOAA Fisheries, as well as with interested universities and the public.

The activities associated with this lease application may or may not facilitate a subsequent application for the long-term lease of State waters for the construction, operation, and ultimate decommissioning of a floating offshore wind electrical generation pilot project. The environmental data collection activities are an important element of the site assessment process, but are not required, for a future wind installation. Any future wind installation would require the completion of the environmental review process under the California Environmental Quality Act separate from the currently proposed environmental data collection lease.

Traditionally, Public Trust uses have been limited to water-related commerce, navigation, and fishing. However, the California Supreme Court has expanded the Public Trust to embrace the right of the public to use the navigable waters of the State for bathing, swimming, boating, and general recreational purposes. It is sufficiently flexible to encompass changing needs, such as the preservation of the lands in their natural state for scientific study, as open space and as wildlife habitat. The installation of the buoy and the biological surveys will provide information on the potential feasibility of a future offshore wind energy facility. The

STAFF REPORT NO. 78 (CONT'D)

buoy and the surveys would not significantly impair Public Trust uses or needs in this location during the lease term.

The information resulting from the studies will be available to the public and would assist in a feasibility determination of the site for potential offshore floating wind energy systems. The lease does not alienate the State's fee simple interest or permanently impair public rights and is limited to a 3-year term. Upon termination of the lease, the lessee will remove the monitoring buoy.

**Climate Change:**

Climate change impacts, including sea-level rise, and more frequent and intense storm events affect open coastal areas in California. The California Ocean Protection Council updated the State of California Sea-Level Rise Guidance in 2018 to provide a synthesis of the best available science on sea-level rise projections and rates. Commission staff evaluated the "high emissions," "medium-high risk aversion" scenario to apply a conservative approach based on both current emission trajectories and the lease location and structures. The Port San Luis tide gauge was used for the projected sea-level rise scenario for the lease area as listed in Table 1.

**Table 1. Projected Sea-Level Rise for Port San Luis<sup>1</sup>**

Year	Projection (feet)
2030	0.7
2040	1.2
2050	1.8
2100	6.7

Source: Table 19, State of California Sea-Level Rise Guidance: 2018 Update

Note: <sup>1</sup> Projections are with respect to a 1991 to 2009 baseline.

As stated in *Safeguarding California Plan: 2018 Update* (California Natural Resources Agency 2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, drought, and storms (especially when coupled with sea-level rise). The combination of these conditions will likely result in increased wave run-up, storm surge, and flooding in coastal areas. Climate change and sea-level rise will further influence coastal areas by changing erosion and sedimentation rates as beaches and coastal landscapes are exposed to increased wave force.

STAFF REPORT NO. 78 (CONT'D)

These projected conditions could increase the likelihood of damage to the buoy within the lease premises during the term of the lease without increasing the length of the anchor chain. The buoy would be placed for a total of 3 years to collect wind and wave energy data off the California coast. Monitoring and maintenance would need to take place during the lease term to determine the condition of the data collection buoy to address any public safety concerns within the lease area. Due to the short lease term and length of mooring chain, the potential impacts of climate change and sea level rise on the buoy would be minimal. Regular maintenance and inspection, as required by the terms of the lease, would reduce the likelihood of severe structural degradation or dislodgement.

Pursuant to the proposed lease, the Applicant acknowledges that the lease premises are located in an area that may be subject to effects of climate change, including sea-level rise.

**Conclusion:**

For all the reasons above, staff believes the issuance of this lease will not substantially interfere with Public Trust needs at this location, at this time, and for the foreseeable term of the proposed lease; and is in the best interests of the State.

**OTHER PERTINENT INFORMATION:**

1. Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. Upon expiration or prior termination of the lease, the Lessee has no right to a new lease or to renewal of any previous lease.
2. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction; and Strategy 1.4 to incorporate strategies to address climate change, adapt to sea-level rise, incentivize water conservation, and reduce greenhouse gas emissions and the generation of litter and marine debris into all the Commission's planning processes, project analyses and decisions.
3. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 6,

STAFF REPORT NO. 78 (CONT'D)

Information Collection; California Code of Regulations, title 14, section 15306; and title 2, section 2905, subdivisions (e)(3) and (e)(5).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300, and California Code of Regulations, title 2, section 2905.

**FURTHER APPROVALS REQUIRED:**

U.S. Department of Defense

**EXHIBITS:**

- A. Land Description
- B. Site and Location Map

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, sections 15061 and 15306 as a categorically exempt project, Class 6, Information Collection; and title 2, section 2905, subdivisions (e)(3) and (e)(5).

**PUBLIC TRUST AND STATE'S BEST INTERESTS:**

Find that the proposed lease will not substantially interfere with the Public Trust needs and values at this location, at this time, and for the foreseeable term of the lease; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

**AUTHORIZATION:**

1. Authorize issuance of a General Lease – Other to the Applicant beginning August 23, 2019, for a term of 3 years, for installation, maintenance, and use of a Metocean buoy and scientific data collection in the Pacific Ocean, as described on Exhibit A and as shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; consideration: \$140 per year including the public use and benefit, with the State reserving the right at any time to revise the monetary rent if the Commission finds such action to be in the State's best interests; and liability insurance in an amount no less than \$1,000,000 per occurrence.
2. Authorize removal of the improvements upon expiration or sooner termination of the lease.

**EXHIBIT A**

**A 2152**

**LAND DESCRIPTION**

A parcel of submerged land lying in the bed of the Pacific Ocean, situated west and southwest of the Town of Lompoc, County of Santa Barbara, State of California, more particularly described as follows:

Bounded on the west by the California Offshore Boundary;

Bounded on the south by a northerly boundary line of the Point Conception State Marine Reserve Area;

Bounded on the east by the westerly boundary line of the Vandenberg State Marine Reserve Area and a line parallel with and lying two nautical mile easterly of the California Offshore Boundary;

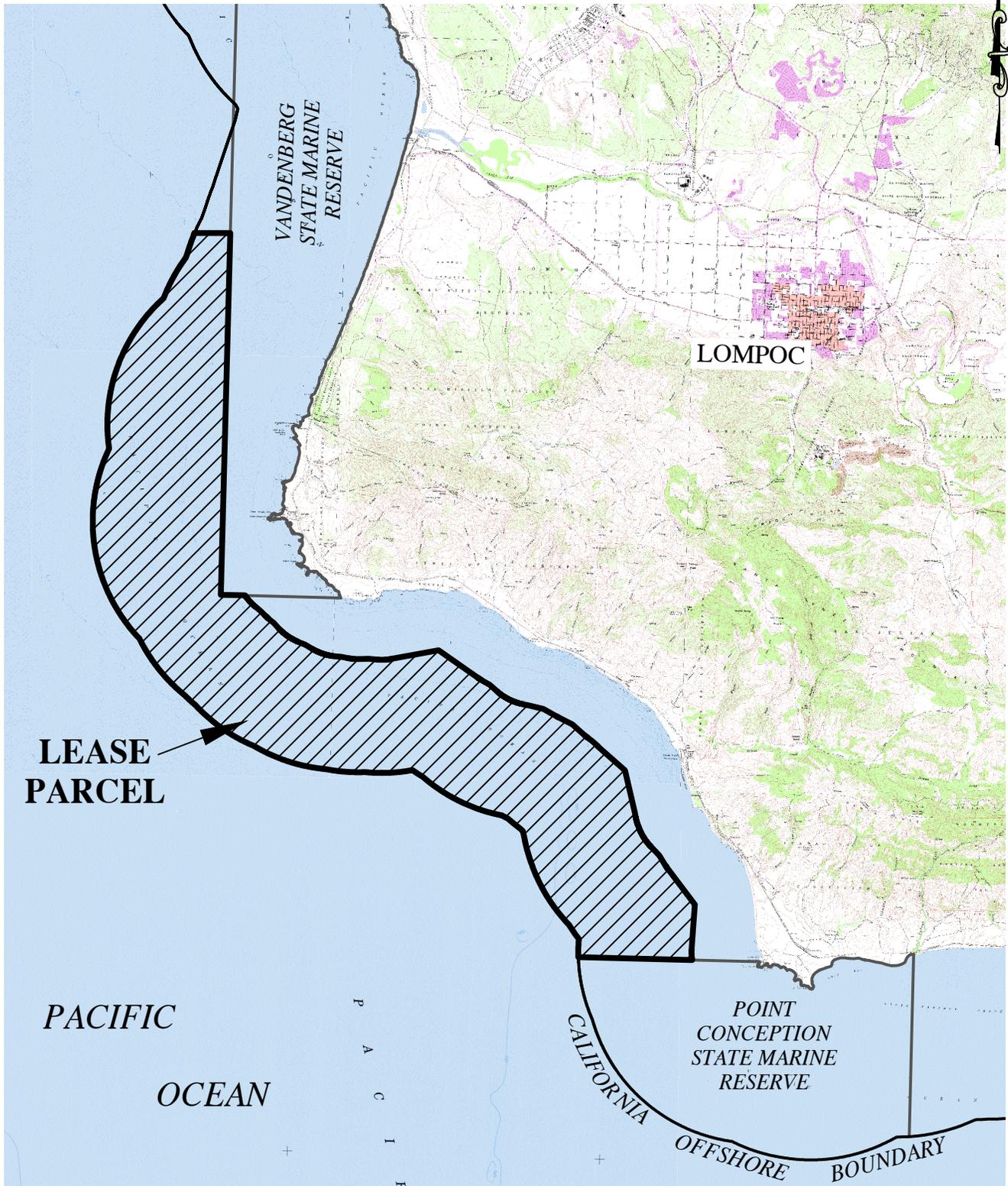
Bounded on the north by a line extending easterly from a point having the following geographic coordinates of 34° 39' 38" North Latitude and 120° 40' 46" West Longitude.

**END OF DESCRIPTION**

The geographic coordinates stated herein were provided by the applicant.

Prepared 09/23/19 by the California State Lands Commission Boundary Unit





**EXHIBIT A**

Page 2 of 2

TS 07/23/19

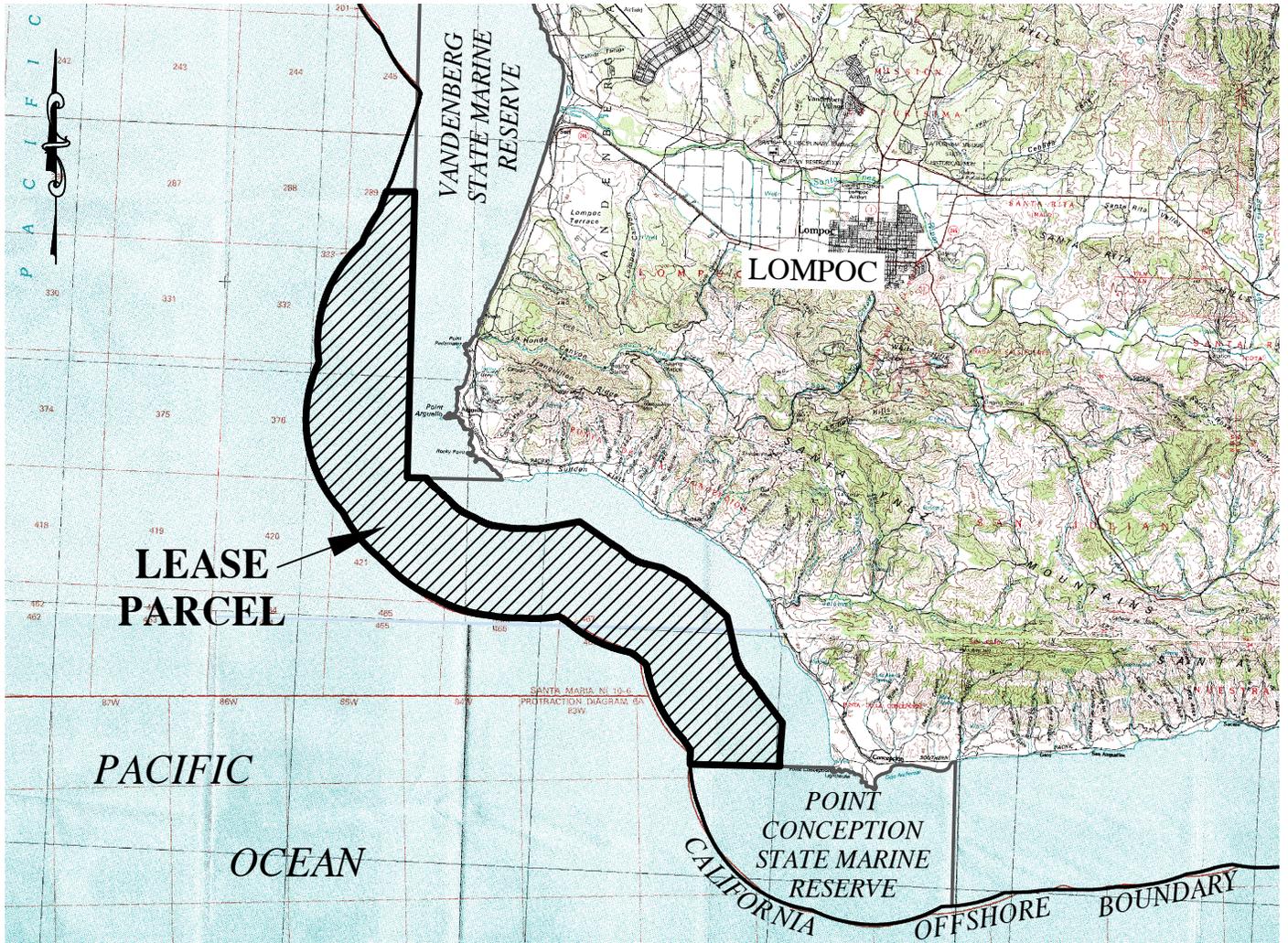
LAND DESCRIPTION PLAT  
 A 2152, IP RENEWABLE HOLDINGS, LLC  
 AND IDEOL  
 SANTA BARBARA COUNTY

CALIFORNIA STATE  
 LANDS COMMISSION



NO SCALE

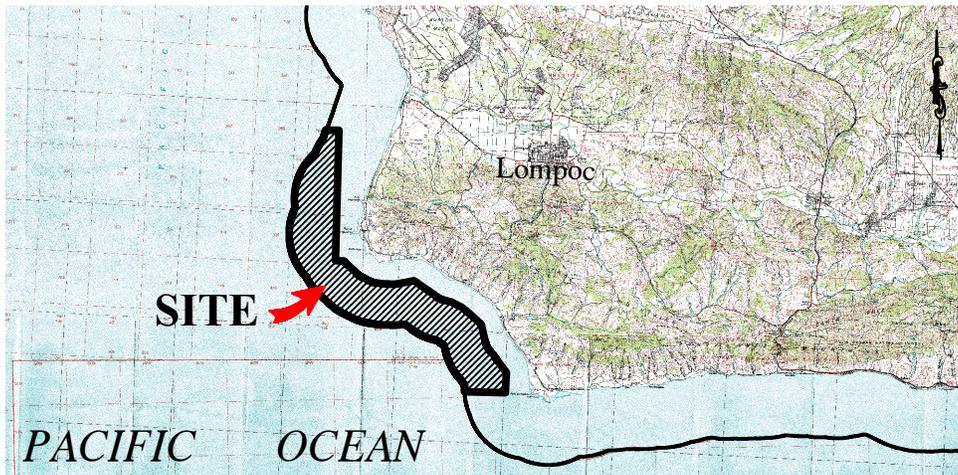
# SITE



PACIFIC OCEAN NEAR TOWN OF LOMPOC

NO SCALE

# LOCATION



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

## Exhibit B

A 2152

IP RENEWABLE HOLDINGS, LLC AND IDEOL GENERAL LEASE - OTHER SANTA BARBARA COUNTY



SITE

TS 07/23/19