

BOARD MEETING DATE: January 9, 2015

AGENDA NO. 8

PROPOSAL: Resolution to Support in Concept for Salton Sea Restoration and Renewable Energy Initiative

SYNOPSIS: As the Salton Sea water levels continue to rapidly recede, air pollution concerns are expected to increase throughout the Coachella Valley and Imperial County due to particulates and potential toxic air contaminants emitted from the lake bed sediments. The Salton Sea Restoration and Renewable Energy Initiative seeks a collaborative Salton Sea restoration solution designed to minimize the environmental and air quality impacts. The initiative would use revenue generated by renewable energy projects to fund environmental mitigation and restoration efforts at the Salton Sea. This action is to approve a Board resolution to support, in concept, the Salton Sea Restoration and Renewable Energy Initiative.

COMMITTEE: Administrative, December 12, 2014; Recommended for Approval

RECOMMENDED ACTION:

Adopt the attached resolution to support, in concept, the Salton Sea Restoration and Renewable Energy Initiative.

Barry R. Wallerstein, D.Env.
Executive Officer

EC:PMF:JCC:KRD

Background

The Salton Sea is California's largest inland lake, covering over 376 square miles in Riverside and Imperial Counties. The lake is very saline due to the lack of natural outlets and the lake size is receding due to evaporation and reduced inflow sources. The receding waters of the Salton Sea have created environmental concerns for the region, including air quality concerns, with significant potential for impacts to human health and that of the wildlife dependent on this ecosystem. Air quality concerns for the Salton Sea Air Basin, which includes the Coachella Valley portion of Riverside County and Imperial County, include increased particulate matter exposures due to the fine silt of the exposed lakebed, exposure to toxic contaminants from concentrated agricultural runoff, and exposure to Hydrogen Sulfide gas released from the lake periodically due to natural processes in the warm, shallow water, as well as geothermal activity in portions of the lakebed. Salton Sea environmental conditions are expected to deteriorate more quickly when a significant portion of the inflow to the Salton Sea will bypass the region due to the transfer of Colorado River water from regional agriculture to urban uses under the Quantification Settlement Agreement (QSA) water transfers that are projected to occur after 2017.

The Salton Sea Restoration and Renewable Energy Initiative seeks a collaborative Salton Sea restoration solution designed to minimize the potential for significant air quality and other environmental impacts. The Initiative would leverage revenue generated by new renewable energy projects at the Salton Sea to fund environmental mitigation and restoration efforts, including air quality management and habitat restoration. Projects sited on exposed lakebed will serve a dual purpose of producing renewable energy while doubling as groundcover to mitigate air emissions. Under legislation enacted in 2013, planning and implementing projects at the Salton Sea will be driven locally by the Salton Sea Authority, with support from the State of California. The Initiative will first focus on developing up to 1,700 megawatts of new geothermal energy at the Sea – enough to power more than one million homes. Not only is there more geothermal generating capacity in the region than anywhere else in the U.S., but geothermal energy can be produced with minimal impact on landscape and habitat. It also provides a steady, reliable source of energy to the state electricity grid.

The Salton Sea Authority voted to support the Salton Sea Restoration and Renewable Energy Initiative, which was launched by the Imperial Irrigation District in partnership with Imperial County, at their December 19, 2013 meeting. To date, numerous additional entities have formally endorsed the initiative, including: Riverside County, the City of Imperial, the City of Holtville, the City of Brawley, the City of El Centro, the City of Coachella, the Palm Springs Convention & Visitors Bureau, the Imperial County Building & Construction Trades Council, the Geothermal Energy Association, the Geothermal Resources Council, the Southern California Association of Governments, and the Coachella Valley Association of Governments.

Proposal

Staff proposes that the Governing Board support in concept the Salton Sea Restoration and Renewable Energy Initiative.

Resource Impacts

Staff anticipates no impact to SCAQMD resources due to this resolution.

Attachment

Resolution

ATTACHMENT
RESOLUTION NO. 2015 -

A Resolution of the South Coast Air Quality Management District (SCAQMD) Governing Board Adopting Support in Concept for the Salton Sea Restoration and Renewable Energy Initiative.

WHEREAS, the Salton Sea is a critically important environmental resource providing vital habitat sustaining over 400 avian species on the Pacific Flyway while also offering the most diverse and plentiful renewable energy resources to be found anywhere on earth; and

WHEREAS in 1993, the California legislature authorized the Salton Sea Authority (SSA) as a joint powers authority comprised of Riverside County and other local governments whose goal is to revitalize the Salton Sea; and

WHEREAS in 2002, the state committed through the Salton Sea Restoration Fund Act to assume responsibility for funding and implementing a Salton Sea restoration plan to facilitate local government agencies' authorization of the 2003 Quantification Settlement Agreement (QSA), a series of agreements which enabled California to live within its 4.4 million acre foot (maf) annual Colorado River entitlement; and

WHEREAS in 2007, the state completed an environmental process identifying Salton Sea restoration alternatives ranging from a \$1 billion plus cost for a "No action" alternative to a \$8.9 billion alternative preferred by the California Natural Resources Agency but never acted upon by the Legislature; and

WHEREAS the 2003 QSA, which authorized the nation's largest agricultural-to-urban water transfer, is influenced by certain commitments the State of California assumed for itself beyond the environmental mitigation funding responsibilities of the participating water agencies; and

WHEREAS while the QSA will have provided mitigation water from 2003 to 2018, the state continues to hold legislative obligation to provide for mitigation and restoration actions, as it is generally recognized that dramatic declines will occur absent implementation of the restoration plan for the Sea; and

WHEREAS early and aggressive implementation of Salton Sea restoration would offset the need for many expensive QSA air quality and habitat mitigation requirements; and

WHEREAS the SSA, with support from its member agencies including Riverside County, has been authorized by the state legislature in AB 71 (Perez) to lead development of a financial feasibility action plan to harness

economic resources necessary to implement a long term restoration strategy for the Sea; and

WHEREAS Imperial Irrigation District (IID) and Imperial County entered into a memorandum of understanding (MOU) on October 24, 2013 that seeks a collaborative Salton Sea restoration solution designed to minimize the looming environmental and air quality impacts from the QSA water transfers projected to occur after 2017; and

WHEREAS the MOU is foundational to the Salton Sea Restoration and Renewable Energy Initiative currently in development, which is focused on a smaller but financially and environmentally sustainable Salton Sea. Designed around reduced inflows, and optimizing access to the playa in the known Geothermal Resource Area at the Salton Sea that will be exposed as the shoreline recedes, the initiative proposes the development of renewable energy projects and mineral extraction from geothermal brine to provide a funding mechanism to jump-start restoration; and

WHEREAS America's Renewable Energy Powerhouse at the Salton Sea offers renewable energy sources estimated to eventually provide up to 1,700 megawatts of geothermal baseload energy plus other renewable generation opportunities such as solar, wind, solar gradient, biofuels, and other developing green technologies to assist load-serving utilities in meeting California's renewable portfolio standard requirements; and

WHEREAS stakeholders, including the state of California, sense that inaction at the Salton Sea poses imminent threats to California's environment, human health, large scale agricultural food supply, renewable energy production, and economic vitality, which is building momentum for the Salton Sea Authority to vigorously pursue a more productive working relationship with the state and federal resource and regulatory agencies;

NOW, THEREFORE BE IT RESOLVED, the SCAQMD Governing Board supports the concept of a Salton Sea Renewable Energy Initiative and calls on the State to work closely and cooperatively with the Salton Sea Authority and its member agencies to fulfill its Salton Sea mitigation and restoration responsibilities.

DATE: _____

Clerk of the District Board