



ORANGE COUNTY
COASTKEEPER

EDUCATION / ADVOCACY / RESTORATION / ENFORCEMENT

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September 17, 2010

Governor Arnold Schwarzenegger
ATTN: Susan Kennedy, Chief of Staff
State Capitol Building
Sacramento, CA 95814
Phone: 916-445-2841
Fax: 916-558-3160

RE: AB 2503-RIGS TO REEF: REQUEST FOR SIGNATURE

Dear Governor Schwarzenegger,

Orange County Coastkeeper (“Coastkeeper”) is an environmental organization with the mission to preserve, protect and restore the watersheds and coastal environment of Orange County. After careful review of Assembly Bill 2503, Coastkeeper respectfully encourages your signature on this important legislation.

Through financial incentives, AB 2503 seeks to encourage oil companies to remove the upper portion of their rigs, to a depth of eight-five (85) feet, and preserve the sub-sea structure that have been transformed from iron beams into a vibrant marine ecosystem. Rather than completely remove these rigs, as is required under current law, a great financial and environmental expense AB2503 will foster a regulatory environment that encourages decommissioning while also supporting sensitive marine species and ecosystems.

AB 2503 preserves existing marine ecosystems living beneath oil platforms. These platform structures have become reefs for many fish and marine species over the decades. These reefs have attracted at least twenty to fifty times more fish than in nearby open water. Without AB 2503, these platforms would be completely removed resulting in the destruction, not the preservation, of millions of marine creatures.

AB 2503 encourages the decommissioning of unproductive oil and gas rigs. Currently, oil rig owners and operators keep operating unproductive rigs to avoid decommissioning because the process is vastly more expensive than simply continuing operation. Permitting oil companies to partially remove rigs rather than requiring complete removal incentivizes those companies to accelerate decommissioning, thereby saving money on the process, preserving a sensitive marine ecosystem, while funding their preservation.

Determination of which oil platforms to be decommissioned and kept reefs will be done on a case-by-case analysis. Reports and evaluations of each oil platform, before it is decommissioned,

will be conducted in order to determine the likelihood of the conversion resulting in net benefit to the environment. More importantly, the partial removal of half of the oil platforms from California's seascape would be done in environmentally friendly manner. The top portion of the oil rigs and *all* petroleum producing equipment would be removed, while the submerged half of the structure would remain as an important ecosystem. As of 2000, there have been a total of 151 oil platforms in the Gulf of Mexico that have been preserved as reefs. Five coastal states have all supported and created state-mandated Rigs-to-Reefs programs and it is time for California to join this marine preservation effort as well!

Lastly, AB 2503 creates the California Endowment for Marine Preservation ("CEMP") as a repository for monies to be used for coastal environmental protection. The bill mandates a percentage of the money saved by oil companies—from not having to completely remove the structures—will be used deposited into the CEMP for use in reef maintenance and future marine preservation projects. Projects funded by this permanent source of funds will not only enhance the aesthetics of California's coast but will also improve the health of its oceans. AB 2503 further mandates that 10% of the saved costs will be transferred to the General Fund, 2% to the Coastal Commission, 2% to the Department of Fish and Game, and 1% to the local county. AB 2503 will not only result in environmental benefits through recycling of these oil rigs, but also relieves the pressured and restrained General Fund from bearing the full cost of marine preservation.

The benefits AB 2503 has to offer include but are not limited to: preserving existing marine ecosystems; decommissioning of unproductive rigs in an environmentally-conscious way; improving California's coastal views; and funding critical marine protection projects in perpetuity. Furthermore, AB 2503 solidifies California as a world leader in environmental preservation.

Coastkeeper would like to thank you for the opportunity to comment on this creative and innovative reef preservation bill. The quality of our state's waters is of critical importance to Coastkeeper and we look forward to more bills that preserve our environment in a cost-efficient way. We respectfully request your signature when AB 2503 comes before you.

Thank you again for your leadership on this important marine issue.

Sincerely,



Garry Brown
Executive Director
Orange County Coastkeeper