

Partnership Proposal for SB 846 Land Conservation and Economic Development

Prepared By:

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REACH

Overview

The Diablo Canyon property — 12,000 acres of pristine coastal landscape and ancestral homelands to yak titʻu titʻu yak tiʻhini Northern Chumash Tribe San Luis Obispo County and Region (ytt Tribe) surrounding a primary economic engine and energy powerhouse — holds incredible value for the people of the Central Coast and all of California.

In line with the urgent desire to conserve these special lands and repurpose the industrial site that our community has championed since the 2016 decommissioning announcement, we have come together around a proposal that achieves those community priorities under the new timeline of SB 846 and simultaneously advances a myriad of state goals: climate resilience, clean energy, sustainability, conservation (including enhancing biodiversity and conserving species), landback, equity and job creation.

This plan — funded with \$160 million provided in SB 846 and complemented by approximately \$25 million from once-through cooling mitigation funds and near matching amount from other funds (including but not limited to – other state agencies, donors, PG&E – savings to rate payers) — facilitates the permanent protection of a vast swath of unspoiled coastal land under Tribal ownership, with stewardship, management and public access facilitated in partnership with a local land trust and a state university that has championed collaboration with the tribe. In parallel, it sets the stage for a new, renewable energy future to rise as the state's current largest power source begins to sunset, and to spark future-oriented and job growth in a region with thousands of transitioning energy workers.

This comprehensive plan came about through tight collaboration between ytt Tribe, The Land Conservancy of SLO County, Cal Poly and REACH with substantial engagement from additional stakeholders including PG&E. This plan is also consistent with the strategic vision created by the Diablo Canyon Engagement Panel. It builds directly on the intensive work done over the last few years under two MOU partnerships, one focused on land conservation and one on reuse of the industrial site.

These efforts have incorporated significant community collaboration, culminating in an intensive, multi-year process engaging dozens of stakeholders spanning local, state and federal elected officials, higher education, business, labor, and civic organizations to envision Diablo Canyon's next chapter. The result was widespread alignment around a vision of conservation and clean energy innovation.

This collaborative vision is captured in the proposal that follows, one that reflects both a long-term vision for sustainable land stewardship and economic development and the short-term need to act now to secure the lands for permanent protection, with an emphasis on conserving biodiversity and cultural assets while providing for public access, and to begin planting the seeds to grow a hub of clean energy innovation and job creation.

Land Conservation | Protecting the Diablo Canyon Lands

The tsitʷiwɪ Coast

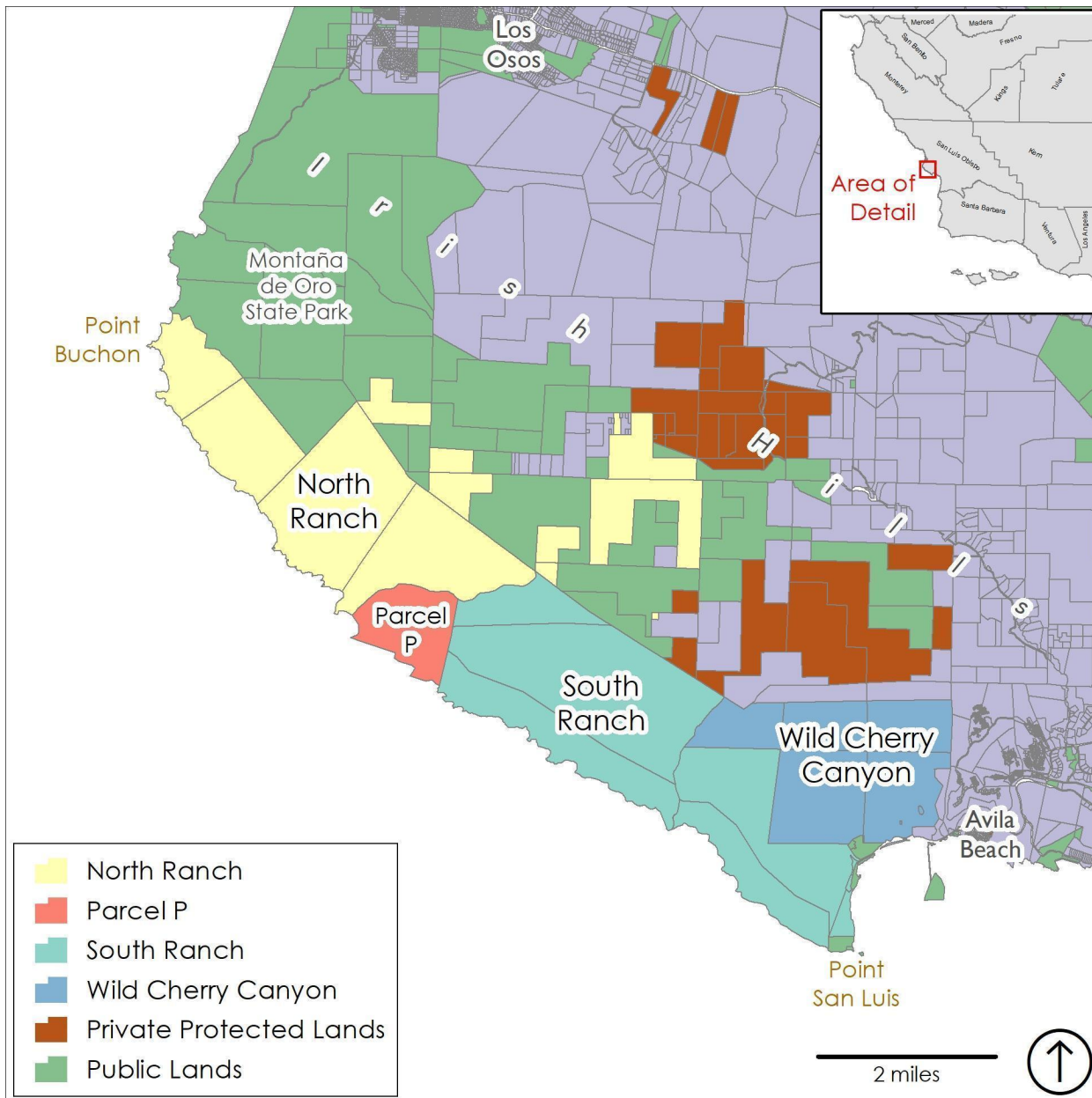
California's Coast between Montaña de Oro State Park and Avila Beach is a remarkable landscape that should be permanently protected. These coastal lands have been owned and managed as part of the greater Diablo Canyon Power Plant (DCPP) land holdings since the mid-1900s. The 12,000 acres that surround the plant have been protected from the widespread development that dominates much of California's coast. This region features untouched tide pools, grazed coastal bluffs, centuries-old oak woodlands, and invaluable known and unknown cultural resources.

While this stretch of coast is popularly known as the Pecho Coast, it would be more correct to call it the tsitʷiwɪ Coast — the unceded homeland of yak titʷu titʷu yak tiħini Northern Chumash Tribe of San Luis Obispo County and Region (ytt Tribe). ytt Tribal members are the documented direct descendants of the original inhabitants of this coastline. Their ancestors were forcibly removed from their homeland beginning in the 1700s without agreement, consideration, or compensation. ytt Tribe's connection to this remarkable stretch of coastal California lands cannot be overstated — this is their home, and the tribe is committed to reconnecting with these lands and conserving them forever.

Protecting this 12,000-acre coastal landscape will involve multiple conservation projects. The tsitʷiwɪ Coastal lands are divided into four areas: North Ranch, South Ranch, Wild Cherry Canyon, and Parcel P. Parcel P includes the nuclear power plant, transmission infrastructure, storage facilities, buildings, a desalination plant, and a marina on 585 acres. Parcel P offers a suite of compelling public benefit opportunities that are best pursued by entities and agencies whose mission aligns more closely with those opportunities, though it also features critical cultural resources in need of permanent protection.

The three remaining properties — North Ranch, South Ranch, and Wild Cherry Canyon — comprise the majority of the Diablo Canyon lands. The North Ranch is owned by Pacific Gas & Electric (PG&E) while the South Ranch and Wild Cherry Canyon are held by the Eureka Energy Company (a PG&E subsidiary). The HomeFed Corporation, a real estate development company, has held a lease on Wild Cherry Canyon since 1968. The legality of the lease and option to renew is part of an ongoing lawsuit in the San Luis Obispo County Superior Court, with a ruling expected in April 2023. Together, the North Ranch, South Ranch, and Wild Cherry Canyon offer multiple, diverse conservation opportunities.

Diablo Canyon Lands Conservation Project Map



Conservation Project Goals

In partnership with The Land Conservancy of San Luis Obispo County (The Land Conservancy) and Cal Poly San Luis Obispo (Cal Poly), ytt Tribe proposes a transformational conservation project to permanently protect the land surrounding the DCPP. Under this proposal, the North Ranch and South Ranch will be owned and managed by ytt Tribe and permanently protected through conservation easements held by The Land Conservancy. ytt Tribe will facilitate expanded educational opportunities in consultation with Cal Poly. Cal Poly has a long-standing partnership with ytt Tribe on research and preservation projects. In addition, Cal Poly's newest residence hall,

[yak?itvutvu](#) — Northern Chumash for “our community” — was named in honor of and in partnership with the ytt Tribe. Wild Cherry Canyon will be owned by an appropriate public entity, permanently protected by a conservation easement held by The Land Conservancy, and subject to an access easement held by ytt Tribe.

ytt Tribe's vision is a tsitviwi Coastal Preserve united around land stewardship, protection of cultural and ecological resources, and the understanding that the territory, identity, economy, and quality of life of ytt Tribe are inseparable from this remarkable landscape. Ongoing goals include protecting the unique cultural and ecological resources of the tsitviwi coastal lands for the benefit and enrichment of present and future generations, while also honoring past generations from time immemorial. This vision is inseparable from the broad conservation goals (including enhancing biodiversity and conserving species) shared by The Land Conservancy, Cal Poly, the State of California, the Diablo Canyon Decommissioning Engagement Panel’s “Strategic Vision” report, and a wide variety of community groups in San Luis Obispo County who have provided extensive input.

The North Ranch

The North Ranch sits mostly north and west of DCP. The property is a mix of open space, grazing, diverse vegetation communities, high-quality wildlife habitat, and significant documented and undocumented ytt Tribal cultural resources and landscapes. Among these conservation values and land uses, the ranch also features the Point Buchon Trail. This closely managed publicly accessible trail extends from the ranch’s northern boundary near Coon Creek in Montaña de Oro State Park. This proposal involves the purchase of the North Ranch by ytt Tribe and concurrent protection by a



conservation easement held by The Land Conservancy. The property would continue to provide public access on the Point Buchon Trail. Long-term stewardship would balance the permanent protection of environmental and cultural resources with compatible future public outdoor recreation and education opportunities. ytt Tribe, Cal Poly, The Land Conservancy, and PG&E are critical partners in achieving this project outcome.

The South Ranch

The South Ranch sits south and east of Parcel P. The property facilitates the primary access route to the DCP site. Grazing lands, open space, dense oak woodlands, significant documented and undocumented ytt Tribal cultural resources and landscapes, and a wide variety of additional conservation values help define the South Ranch. The Pecho Coast Trail on the property is currently



operated for docent-led public use. Approximately 1,200 acres near the southern end of the property are protected under a deed restriction. The critical infrastructure on the property will continue to be maintained for access to the DCPD for the foreseeable future. However, fee-title ownership by Eureka Energy is not critical for these uses.

This proposal includes permanent protection of the South Ranch through the purchase of the lands by ytt Tribe with a concurrent conservation easement recorded and held by The Land Conservancy. Existing public access opportunities, including the Pecho Coast Trail, will be maintained. Access and maintenance agreements will be entered into between ytt Tribe and PG&E/Eureka Energy to ensure the continued use and maintenance of the paved access route to the plant site and other appropriate resources by the plant operator. As with the North Ranch, ytt Tribal stewardship of the South Ranch will balance the critical need for cultural resource and cultural landscape protection, environmental resource protection, and compatible future public and educational uses for the property.

Wild Cherry Canyon

Wild Cherry Canyon represents the southeastern most portion of the Diablo Canyon Lands. The 2,400-acre property has been the subject of multiple development and conservation efforts in recent decades.

Currently, Wild Cherry Canyon is held in fee by Eureka Energy, with a lease held by the HomeFed Corporation, which has drawn up plans for developing a residential community on the property. Eureka has challenged the duration of that lease and, if successful in court, would retain clear fee title to the property following resolution of the lawsuit.



Despite the legal complexity surrounding Wild Cherry Canyon, the property remains a critical conservation opportunity within the greater Diablo Canyon Lands project. The need for permanent protection of this ranch is heightened by both the active development efforts and the ytt Tribe's significant documented and undocumented cultural resources on site. The property features remarkable scenic open space, dense oak woodlands, and diverse wildlife habitat, and is well connected to protected lands in both the Irish Hills and the nearby San Luis Obispo Creek watershed near Avila Beach, CA.

This proposal considers the permanent protection of Wild Cherry Canyon through the purchase of the lands by an appropriate public entity, a concurrent conservation easement recorded and held by The Land Conservancy, and an access easement granting ytt Tribe the ability to access this part of their homeland and inform stewardship of the property. This ranch is not critical to PG&E's operation of the DCPD and would be a swift conservation project pending resolution of the ongoing litigation. The timeline for resolution remains uncertain. Stewardship of Wild Cherry

Canyon will involve significant cultural and environmental resource protection, including property surveys to identify key resources to protect on site. These surveys will balance cultural and environmental resource protection with development of compatible future public and educational uses that do not currently exist. Protecting Wild Cherry Canyon will also facilitate a continuous trail from Avila Beach to Montaña de Oro.

Permanent Land Conservation, Compatible Land Uses, and Key Partnerships

The key outcome described for the North Ranch, South Ranch, and Wild Cherry Canyon properties above is permanent land protection through three contiguous conservation easements and continued managed public access along existing trails. Significant resources are required to procure the land and permanent conservation easements, and manage the assets in perpetuity. The importance of this outcome cannot be overstated: nearly 12,000 acres of ytt Tribe's homeland will be conserved with a significant portion returned to the tribe, and the conservation values — cultural and environmental — will be protected in perpetuity by The Land Conservancy. Additional public benefits of protecting the land will be possible for the first time in decades, including new educational and research opportunities facilitated by Cal Poly. There is no other conservation project in California that can achieve this combination of remarkable goals. Moreover, this project can be a model for California of bringing together cultural and conservation protection along with managed public access. This project is in complete alignment with the State's 30x30 biodiversity initiative, an effort led by Governor Newsom that strives to protect 30% of the State's lands and coastal waters by 2030, and includes significant commitments to tribal engagement and landback efforts.

The maintenance of existing public uses, however, is only the start of a long-term conservation outcome for these lands. As the landowners, ytt Tribe and the appropriate public entity will need time, funding, and partnerships with key state and local organizations to develop a plan to steward these lands and facilitate new public benefits on the tsit'iyi Coast. Time and funding are critical for shorter-term surveys of the entire landscape, including assessments of known and unknown cultural resources, cultural landscapes, biological and aquatic resources, and key infrastructure maintenance needs, such as ranch roads. These assessments will inform which areas of the tsit'iyi Coast are in need of the utmost protections from further land use and which areas are suitable for public use for recreation, education, and enjoyment of one of California's most spectacular coastlines.

ytt Tribe is committed to facilitating these future public uses where appropriate, including a tribal education center, future recreational trails, and educational opportunities. The conservation easements covering this landscape will further ensure these future uses are compatible with resource protection. Cal Poly's commitment to furthering educational and research opportunities on the tsit'iyi Coast will provide a chance for the public to connect with and learn about ytt Tribe's homeland. Finally, management of existing and future public uses will require an active partnership with the CA Natural Resources Agency, public agencies such as CA State Parks and/or San Luis Obispo County Parks, Cal Poly, and PG&E, among other organizations.

Fundamental Conservation Easement Terms for Diablo Canyon Lands

The proposed conservation projects include the concurrent recordation of conservation easements on each of the tsit'iwí Coast properties alongside the fee acquisition by ytt Tribe of North and South Ranch and by an appropriate public entity of Wild Cherry Canyon. The conservation values the easements will protect include: cultural resources and landscapes, wildlife habitat, intertidal habitat, scenic views, water quality, soil health, and native vegetation communities including but not limited to oak woodland, coastal scrub, maritime chaparral, coastal prairie, riparian, freshwater marsh, and bishop pine forest. ytt Tribe, The Land Conservancy, the public entity and all funding partners will be involved in negotiating the terms of each conservation easement as applicable. The following list of fundamental terms for each conservation easement will guide these negotiations. This list is not exhaustive but provides a clear guideline for the basic terms for the proposed conservation easements protecting the tsit'iwí Coast properties.

Prohibited Uses – Subject only to narrow exceptions defined as Reserved Rights

- Subdivision, partitioning, separate conveyance, or separate ownership of parcels
- Use, exercise, or transfer of development rights
- Construction of new structures, buildings, and/or improvements
- Industrial and commercial uses, including intensive agricultural uses, golf courses, a casino, and other intensive land uses
- Waste dumps, coverage of land with impervious surfaces, alteration of land surface
- Uses that lead to soil erosion
- Mineral extraction, including but not limited to oil, gas, and other minerals
- Cutting or removal of native vegetation

Reserved Rights – Specifically permitted in defined areas of the property or where impact to conservation values is limited

- Maintenance of existing infrastructure, including roads, residences, pre-existing facilities, and existing agricultural infrastructure
- Protection and/or restoration of cultural and environmental resources through any means that do not diminish conservation values on the property
- Maintenance of existing water infrastructure and construction of new water infrastructure that serves permitted uses

- Reservation for a limited number of building envelopes that permit light-on-the-land caretakers quarters, open air ramadas, and other infrastructure (such as sheds and barns) necessary to manage the properties.
- Limited, non-intensive agricultural uses, including but not limited to livestock grazing
- Cutting or removal of down/diseased vegetation, conservation practices, restoration of damage caused by acts beyond landowner's control
- Facilitation of public access, including but not limited to passive outdoor recreation, education, or other compatible public uses that do not diminish or impact the conservation values, including cultural resources, on the property
- Construction of a visitor center, other gathering places, and/or facilities that support education, cultural practices and celebrations, and public access, limited to specific building envelopes identified in the easements

Conservation Easement Stewardship and Enforcement

The proposed conservation easements on North Ranch, South Ranch, and Wild Cherry Canyon will be permanently tied to the land. The permanence of these land use restrictions will be achieved through the annual monitoring and enforcement of easement terms by The Land Conservancy. The landowners will be compelled to cease and rectify any land uses or activities that conflict with the easement terms.

Requirements for conservation easement enforcement are determined by multiple third-party entities. First, The Land Conservancy is accredited by the Land Trust Accreditation Commission (LTAC). LTAC accreditation is a stringent process and land trusts must renew their accredited status every five years. One of the core requirements of accreditation is that a land trust follows strict procedures for monitoring and enforcing every conservation easement it holds. Second, the proposed conservation easement deeds will include language requiring annual monitoring visits, providing all necessary authority to The Land Conservancy to enforce the easement terms, and detailing procedures to ensure stewardship of these easements is not diminished in the unlikely event The Land Conservancy ever ceases to exist or fails to uphold its enforcement duties. Finally, the public funding agencies considered for these land conservation projects will become third-party enforcers of the conservation easement terms. This third-party role is typically addressed via a recorded grant agreement, within the conservation easement deed itself, or both. It is also important to note that included in the conservation easements will be a clause that states the easements cannot be extinguished by a non-federally recognized or federally-recognized tribe.

Land Management and Stewardship

ytt Tribe will oversee all actions taken on the North and South Ranches. Land uses and activities will be consistent with the conservation easement terms summarized above. ytt Tribe's land management will be informed through partnerships with organizations such as PG&E, Cal Poly, and conservation groups with extensive experience in managing large landscapes. All enforcement activities and public safety measures, and some infrastructure maintenance, will continue to be managed by PG&E for the foreseeable future, including the paved access road on the South Ranch. ytt Tribe will hire and coordinate with local contractors and experts for core land stewardship activities, such as road maintenance and invasive species management. A management plan for the property will be drafted in partnership with each of these organizations. The plan will be informed by results from the resource assessment project phase. That plan will detail best practices for maintaining existing infrastructure (e.g., fences, roads, buildings), vegetation management (e.g., grazing, invasive species control, etc.), ecological restoration, and managed public access. Many areas of the property will simply be left alone or lightly managed to improve ecological health.

Wild Cherry Canyon will be managed by an appropriate public entity in a similar fashion to ytt Tribe's management of the remainder of these coastal lands. Land uses on Wild Cherry Canyon will also be subject to the terms and conditions of a conservation easement held by The Land Conservancy, as above. Public access for managed, non-motorized recreation will be facilitated in a manner that is consistent with the protection of environmental resources, cultural resources, and cultural landscapes on the property. These resources will be considered in an overarching management plan for the property. This plan will be developed in accordance with any existing policies of the public entity that will own the property and will be informed by ytt Tribe's traditional knowledge and connection to the land. The need to balance public use of the property with other conservation resources is common across a variety of publicly-owned properties throughout California. This balance will be a guiding principle for the stewardship of Wild Cherry Canyon.

Conservation Project Timeline

Each conservation project area is expected to be completed in phases. North Ranch, South Ranch, and Wild Cherry Canyon each have unique real estate and land use constraints. The availability of each property for acquisition and subsequent new future land uses, including public access, may vary considerably. A multi-year effort to acquire and permanently protect this landscape is anticipated. Each property will undergo a similar post-acquisition process of (1) resource assessments, (2) management plan development, (3) land use permitting process, and (4) creating and opening public access opportunities.

Diablo Canyon Lands Conservation Project Summary

Property	Acres*	Seller	Owner	Conservation Easement Holder	Land Uses and Partners
North Ranch	4,500	PG&E	ytt Tribe	The Land Conservancy	Protection of environmental & cultural resources, continued public access, future public access for recreation and education as possible.
South Ranch	4,500	Eureka Energy	ytt Tribe	The Land Conservancy	
Wild Cherry Canyon	2,400	Eureka Energy	Appropriate Public Entity	The Land Conservancy Access Easement held by ytt Tribe	

*GIS-calculated acreage can differ depending on data used.

Economic Development | Sustainability and Climate Resilience

An additional priority of the partnership is to generate sustainable, regenerative economic development and associated jobs for the Central Coast and California. The DCPD — San Luis Obispo County’s largest private-sector employer — is a critical energy asset and economic engine for California. While SB 846 sets the stage for a temporary extension of DCPD’s decommissioning timeline, investments are critical now to transform this world-class asset to advance California’s energy transition and economic equity. The Central Coast has the opportunity to re-invent our role as an energy leader for California in the burgeoning green and blue economy — where energy, food, water and other essential services are provided from the land and ocean in a sustainable manner — to meet the demands brought about by climate change.

To that end, the Central Coast — including ytt Tribe, academic, government, labor, industry, environmental and civic partners — has united around a vision to transform DCPD’s 585-acre industrial site (also known as “Parcel P”) into a Central Coast Clean Tech Innovation Park. With the recently leased Morro Bay Wind Energy Area 20 miles offshore, this park would be a hub for clean energy innovation, offshore wind and renewable energy, marine science, aquaculture, desalination, and emerging technologies in conjunction with conservation and celebration of the ytt Tribe’s heritage. Another strategic advantage for these efforts is the location of the two nearby community colleges—Allan Hancock in Santa Maria and Cuesta College just a few miles west of the Cal Poly campus. Cal Poly already has close collaborative relationships with both colleges, and sees them as indispensable partners in any effort at workforce development.

These goals will be accomplished through a phased approach. While planning for future reuse of Parcel P, Cal Poly and partners will enhance related economic development efforts at the Cal Poly

Pier and Tech Park and through co-use of Parcel P. As an example, Cal Poly is in process of securing recognition of the Cal Poly Pier as a renewable energy test site by the U.S. Department of Energy. Expanding Cal Poly's Tech Park will provide an opportunity for industry partners to grow critical mass and evaluate ways to co-use and later reuse Parcel P. These efforts will add jobs to the Central Coast and integrate these unrivaled assets into a world-class clean tech ecosystem. Moreover, educational and industry research conducted at the Cal Poly Pier, Tech Park and Conservatory will provide needed information to ensure that economic development is compatible with efforts to enhance biodiversity and lessen impacts of climate change, including and in concert with traditional ytt Tribal knowledge. The results of planning and enhancements to the Pier and Tech Park will set the stage for co-use and later reuse of Parcel P. The vision is complementary to the goals of ytt Tribe to represent the ancestral communities of the *tsit'iwí* Coast: responsible, caring, and trustworthy land stewardship and conservation of land, water, and air.

Community Planning and Development Process

DCCP has been an economic engine for the Central Coast and an energy powerhouse for California. The Central Coast is embracing and evolving its role as an energy hub of the future as it prepares to support the deployment of the state's largest offshore wind site off of Morro Bay, the development of world-leading energy storage and solar projects, and other clean energy innovation. The acceleration of clean tech and renewable energy job creation and the transformation of Parcel P into an innovation hub were identified as top priorities in the REACH 2030 economic plan, which serves as the region's EDA-endorsed comprehensive economic development strategy and was developed in collaboration with hundreds of stakeholders to support an equitable transition for our energy community.

To advance the region's economic development strategy and develop a future vision for DCCP industrial site Parcel P, an MOU group was formed in early 2021 including leaders from federal, state and county government, Cal Poly, REACH, The Land Conservancy, the ytt Tribe and the Tri-Counties Building and Construction Trades Council. Over the course of a year, the community undertook a process of envisioning and modeling, resulting in an [open letter and vision](#) for the creation of a Clean Tech Innovation Park that has been endorsed by a broad coalition of government and civic leaders and stakeholders. The original vision included supporting infrastructure through expansion of the Cal Poly Pier and mixed-use Technology Park on Cal Poly's campus, creating an ecosystem of academic, commercial and industrial spaces to advance renewables and clean tech innovation on the Central Coast. The vision, developed with more than a year of community engagement in parallel with conservation efforts by a second MOU partnership between the ytt Tribe, The Land Conservancy and Cal Poly, aims to accelerate the state's clean energy transition and environmental and climate leadership and supports equitable economic development in line with the region's REACH 2030 jobs plan.

Building a Central Coast Clean Tech Innovation Park and Ecosystem

With SB 846 in implementation to potentially continue operation of the DCCP, this proposal focuses on development of a Clean Tech Innovation Ecosystem and support for countywide economic development, co-use of Parcel P during continued DCCP operation, and enhancement

of the supporting infrastructure at the Cal Poly Pier and Tech Park, which will enable reuse consistent with decommissioning activities.

State investment for co-use, and planning for reuse after operation, are critical to enable Cal Poly and partners to move forward with a phased development approach that supports the region's economic transition in parallel with DCPD operations and subsequent decommissioning. Specifically:

Clean Tech Innovation Ecosystem Master Plan

Cal Poly, in partnership with REACH, the large MOU group focused on economic development, and the Central Coast community, would develop and implement a Clean Tech Innovation Ecosystem Master Plan to: identify and collaborate with additional universities within the CSU, commercial innovators, and research institutions; integrate the region's clean tech assets, talent and innovative capacity; enable co-use of Parcel P; and prepare for ultimate reuse.



These efforts will map regional and relevant state and federal clean tech assets and identify any gaps, develop a high road education/workforce strategy to bolster the region's clean tech talent in partnership with regional education and labor stakeholders, and develop a commercialization strategy with local incubators and economic development practitioners to support the start-up, funding and expansion of clean tech enterprises. Initial pilots will be coordinated to engage students, faculty, entrepreneurs and other innovators in the region's clean tech ecosystem and leverage co-use opportunities at Parcel P. These strategies and pilots will incorporate and leverage existing regional assets and initiatives — such as offering programming to start-ups through the clean tech incubator in Morro Bay that will be launched shortly by the Cal Poly Center for Innovation and Entrepreneurship. Targeted Master Planning efforts would be complemented by funding support for countywide economic development, land conservation, and decommissioning planning to address broader capacity and resourcing gaps and ensure the County of San Luis Obispo can be a full partner in these efforts.

Cal Poly Pier

Marine science plays a critical role in the region's clean tech innovation and the state's renewables strategy to test and evaluate the impacts of interventions and climate change on the ecosystem. The Cal Poly Pier — located south of Wild Cherry Canyon — is essential to the university's marine science program and future research opportunities utilizing the DCPD breakwaters. It has enormous potential to catalyze extensive academic and industry



research and testing of new technologies to improve energy efficiency, develop new renewable sources of energy, increase sustainability, and explore ways to better understand changes occurring in the oceans. As stated above, Cal Poly is in the process of securing recognition of the Cal Poly Pier as a renewable energy test site by the U.S. Department of Energy. The pier is also well suited to evaluate new means for desalination, as it can facilitate new guidelines pertaining to water withdrawal. Work could begin immediately on deferred maintenance, upgrades, and facility expansion to transform it into an offshore renewable energy research and demonstration facility that would support and complement Parcel P and Cal Poly Tech Park activities.

Economic development can also be combined with enhancing biodiversity and providing support for ensuring that California's expanded use of the ocean for renewable energy, food and water (blue economy) is not only sustainable but regenerative. The Cal Poly Pier Blue Economy Initiative seeks to find ways that the oceans can help solve the climate crisis and restore ecosystems, primarily through supporting offshore renewable energy development and sustainable aquaculture for both commercial production and restoration of depleted species. The Cal Poly Pier is a critical facility to address a range of related research questions. Current work on aquaculture could be expanded to provide mitigation of the impacts of once-through-cooling resulting from Diablo Canyon. For example, the Cal Poly Pier is currently supporting research to develop aquaculture approaches to grow species such as Pismo clams, Olympia oysters, and commercially important species of algae, all of which may be impacted by once through cooling. Future plans could include white and black abalone—both federally-listed endangered species—as well as commercially valuable red abalone. Expansion of this ongoing research could include scaled-up experiments and field deployment at Parcel P and the Diablo Canyon Harbor (breakwater), testing out planting approaches to mitigate the impacts of OTC effects and restoration.

Offshore renewable energy testing could proceed in a similar manner, with initial, small-scale testing of marine energy devices occurring at the Cal Poly Pier followed by testing of larger arrays around the Diablo Canyon Harbor. Moreover, the Cal Poly Pier and the Diablo Canyon Harbor (breakwater) would be uniquely positioned to provide research and mitigation for the needed expansion of renewable energy in the ocean (e.g. planned offshore wind).

Finally, all of these blue economy activities will require development of new environmental monitoring technologies to ensure the efficiency and sustainability of aquaculture operations and evaluate the impacts of marine energy devices. These technologies can undergo initial testing from the Cal Poly Pier, followed by future deployment and trials around the harbor at Diablo Canyon. Ultimately, connecting the Cal Poly Pier and Parcel P and the Diablo Canyon Harbor (breakwater) will create a research and development pipeline to catalyze the creation and growth of sustainable blue economy industries that has no equal in the US or the world, and will make this region the center for these activities over the next several decades.

Cal Poly Technology Park

Fostering a cleantech innovation ecosystem during potential continued use of DCPD will require expanded research space on campus. Expansion of the Cal Poly Technology Park will provide additional avenues for commercial partners to participate and be closer to researchers, students, and the local business community, and complement limited space at the Cal Poly Pier and co-use of Parcel P. Located north of the Diablo Canyon site on the Cal Poly campus, the Technology Park can serve as an incubator and clean tech hub for the broader region and an important linkage to support future co-use and ultimate reuse of Parcel P. Work could begin immediately to develop multiple facilities (25,000-100,000 square feet) that would provide expanded space for student and faculty clean tech programming and enable start-ups and other clean tech enterprises to locate in close proximity to the Cal Poly Pier and Parcel P.



Co-use/reuse of DCPD Industrial Site Parcel P | Clean Tech Innovation Park

Discussions with PG&E are active about a phasing strategy for co-use of the existing industrial site in the short-term and utilization of existing assets in future years. Moreover, immediate transfer of the breakwater/harbor to Cal Poly (or other governmental entity) will facilitate co-use (public-private partnerships) and complement research and mitigation efforts connected with the Cal Poly Pier. PG&E will continue to pay annual lease and maintain infrastructure.



Transfer of the breakwater to Cal Poly (or other governmental entity) also results in clarifying its future and thus a potential savings of at least \$400 million to ratepayers. Some of these savings could be captured for co-use, with consideration for transferring additional savings closer to time of decommissioning.

The private market has also generated significant interest in public-private partnership in areas of desalination, offshore wind, battery storage, aquaculture and other types of green and blue economy innovation. Public-private partnerships are also critical as the blue economy expands. Expanding use requires research and better ways to mitigate the impact of activity in the ocean (e.g. continued once through cooling).

This proposal calls for Cal Poly to utilize funding to establish an initial trust fund to support preliminary co-use and pave the way for later reuse. Based on discussions with PG&E, the group believes co-use of Parcel P for continued operation and clean tech renewable energy innovation is

feasible. In practice, this proposal would implement a phased strategy with a ramp up of permanent personnel over time (up to 50-75 permanent employees). In the initial phase (in parallel with conservation efforts), there would also be the ability to bring in approximately 200 personnel at any given time when warranted to support a variety of co-use R&D opportunities, supported through facility expansion at the Cal Poly Pier and Technology Park. The long-term reuse of Parcel P will require additional funding outside this proposal, with a target of allocating funds three years prior to decommissioning.

Project Summary and Estimated Budget

The following tables outline the funding required for procurement of lands, conservation easements and management of lands, public access, and educational and research funding.

Diablo Canyon Lands Conservation Project Budget - Acquisition and Start-up Costs

Property	Acres	Appraised Fee Value (\$)	Fee Lands Stewardship Fund (\$)	Conservation Easement Stewardship Fund (\$)	Resource Assessment for Planned Land Use (\$)	Total (\$)
North Ranch	4,500	29,041,887	4,000,000	270,000	1,500,000	34,811,887
South Ranch	4,500	35,382,450	3,500,000	270,000	1,000,000	40,152,450
Wild Cherry Canyon	2,400	25,050,000*	2,500,000	144,000	2,500,000	30,194,000
Total	11,400	89,474,337	10,000,000	684,000	5,000,000	105,158,337

*Wild Cherry Canyon value contemplates fee-simple purchase without leasehold interest.

As mentioned earlier, the intention is to provide support for management, operation, restoration, public access and educational / research programming in perpetuity. The annual cost for all lands is estimated to be \$2 million. Assuming inflation of 3% and a return to the fund of 7%, a total of \$50 million is required to achieve these goals.

The summary of all investments required for conservation and protection as well as economic development are outlined in the following table.

Economic Development and Conservation Spending Plan

Conservation	Funds Required from July 1, 2023 through Cessation of Operation (five year extension)			
	State - SB 846	Once Through Cooling Mitigation Funds	Additional Funding (e.g. Donors, other state funds, PG&E Ratepayer Savings)	Total
planning	\$ 3,000,000			\$ 3,000,000
ytt LandBack with easement purchase for north and south / purchase and easement for WCC	\$ 57,000,000		\$ 48,000,000	\$ 105,000,000
ytt LandBack & WCC conservation management, public access & education / research fund - annual cost and trustfund lands	\$ 50,000,000			\$ 50,000,000
Sub-total	\$ 110,000,000		\$ 48,000,000	\$ 158,000,000
Planning (includes \$ 5 m for SLO county)	\$ 7,000,000			\$ 7,000,000
Economic development (SB 846 infrastructure), once-through cooling mitigation - Cal Poly Pier (\$5 m per year) and renewable energy / blue economy (other sources)	\$ 15,000,000	\$ 25,000,000	\$ 25,000,000	\$ 65,000,000
Economic development - Cal Poly Technology Park (blue economy, renewable energy, etc)	\$ 28,000,000		\$ 35,000,000	\$ 63,000,000
Trust funding to support co-use and later re-use of Parcel P			\$ 40,000,000	\$ 40,000,000
Sub-total	\$ 50,000,000	\$ 25,000,000	\$ 100,000,000	\$ 175,000,000
Grand Total	\$ 160,000,000	\$ 25,000,000	\$ 148,000,000	\$ 333,000,000

The total project plan cost for Phase 1 and Phase 2 is \$333 million. The full and holistic goals of the proposal cannot be achieved without the inclusion of once-through mitigation funds, other conservation funding sources, savings from PG&E breakwater transfer, other state agencies and support from conservation / economic development donors. Future generations will question the wisdom of a plan that focuses only on preserving the land and does not invest in funds to maintain and protect the land in perpetuity. Equally important, economic development funds are essential for the immediate impact as well as positioning the Central Coast to benefit from the establishment of a Clean Tech Ecosystem. This proposal seeks to combine and leverage resources from several sources to achieve this comprehensive vision.

The timeline for investments is shown below. Phase 1 would utilize the \$10 million allocated by SB 846 July 1, 2023, for conservation and economic development planning and SLO County Economic Development. Phase 2 funds would include SB 846 funds in the amount of \$150 million accessible July 1, 2024, once-through mitigation funds, other conservation funding sources,

savings from PG&E breakwater transfer, other state agencies and support from conservation / economic development donors. Phase 3 is the estimated project for post-Diablo operations to implement the Clean Tech Innovation Park concept for reuse of Diablo. Our recommendation is that a portion of the savings for ratepayers for retaining the breakwater be allocated this fiscal year with another amount of the savings (less than 50% of estimated savings at the time) allocated prior to cessation of plant operation. This funding need is estimated 3 years prior to plant closure and is not part of the near-term implementation. The following table outlines the project timeline and funding.

Economic Development and Conservation Project Timeline

Source of funding

Phase	Activity	SB 846 Phase 1	SB 846 Phase 2	Once Through Cooling Mitigation funds	Additional Funding (e.g. donors, other state agencies, PG&E ratepayer savings)
Phase 1 July 2023-2025	Development of <ul style="list-style-type: none"> Conservation Plan Clean Tech Innovation Ecosystem Master Plan SLO County – Support for Econ Dev and Conservation 	\$ 3 m \$ 2 m \$ 5 m			
Phase 2 July 2024 - 2026	<ul style="list-style-type: none"> LandBack Conservation Clean Tech Innovation Ecosystem Development 		\$150 m	\$ 25 m	\$148 m
Total Phase 1 & 2 Project Budget = \$333 m					
Phase 3 * July 2026-July 2030	Reuse of Parcel P: Clean Tech Innovation Park			\$300 m	

*Phase 3 is not covered in this proposal

Partners

- **yak titʷu titʷu yak tihini** is the documented Tribe of indigenous Northern Chumash people from the tsityiwi Coast, representing an unbroken chain of lineage, kinship, and culture. ytt Tribe were the earliest residents of the Central Coast of California, whose homeland can in general be described as the San Luis Obispo County region. “The purpose of ytt Tribe is to protect, preserve, and promote our culture, language, resources, and traditional ways.” For more information, visit www.yttnorthernchumash.org
- **The Land Conservancy of San Luis Obispo County** is a community-supported local nonprofit land trust working to conserve and care for the diverse wildlands, farms, and ranches of the Central Coast, connecting people to the land and to each other. The land trust helps to protect drinking water sources, prevent poorly planned development, restore wildlife habitat, promote family farmlands and ranches in our region, and connect people of all ages and backgrounds to the land. The Land Conservancy leads collaborative efforts

that have resulted in the permanent protection of more than 35,000 acres of land in San Luis Obispo County. For more information, visit www.lcslo.org

- **Cal Poly** is a nationally ranked, four-year, comprehensive polytechnic public university located in San Luis Obispo, California. Founded in 1901 and part of the renowned California State University system since 1960, Cal Poly is known for its Learn by Doing approach, small class sizes and open access to expert faculty. The university is a distinctive learning community whose 21,000 academically motivated students enjoy an unrivaled hands-on educational experience that prepares them to lead successful personal and professional lives. For more information, visit www.calpoly.edu
- **REACH** is a nonprofit, economic impact organization with a mission to increase economic prosperity on the Central Coast of California through big thinking, bold action and regional collaboration. The north star of REACH's work is collaboration with business, education, government and nonprofit partners to create 15,000 good-paying jobs in the region by 2030 and establish the Central Coast as a place where current and future generations can thrive. For more information, visit reachcentralcoast.org. REACH would support implementation of the economic development aspects of the partnership, including through economic development planning, coordination of community dialogue and stakeholder outreach, and support for cleantech industry engagement and expansion.