

CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000
 SAN FRANCISCO, CA 94105-2219
 VOICE AND TDD (415) 904-5200
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ENERGY, OCEAN RESOURCES, AND FEDERAL CONSISTENCY DIVISION REPORT

FOR THE

NOVEMBER 17, 2010 MEETING OF THE CALIFORNIA COASTAL COMMISSION

TO: Commissioners and Interested Parties

FROM: Alison Dettmer, Deputy Director
 Energy, Ocean Resources & Federal Consistency

| DE MINIMIS WAIVER | | |
|---|---|---|
| APPLICANT | PROJECT | LOCATION |
| E-10-012-W Southern California Edison Co. | Remove the existing 125k W generator from within the main building and install a larger 250k W emergency diesel generator at an outdoor location in Catalina Pebbly Beach Generating Station. | Catalina Pebbly Beach Generating Station Los Angeles County |
| E-10-015-W Poseidon Resources | Extend the operation of the existing desalination test facility at the Encina Power Station up to October 31, 2011. | Encina Power Station San Diego County |

| EMERGENCY PERMIT | | |
|-----------------------------------|---|---|
| APPLICANT | PROJECT | LOCATION |
| E-10-013-G Venoco, Inc. | Replace the damaged seaward caisson walls to prevent the release of oil from the capped well at Pier 421-2. | SLC Oil & Gas Lease 421 Santa Barbara County |



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NOTICE OF COASTAL DEVELOPMENT PERMIT
DE MINIMIS WAIVER

DATE: October 28, 2010 **PERMIT NO. E-10-012-W**

TO: Coastal Commissioners and Interested Parties

SUBJECT: Waiver of Coastal Development Permit Requirements

Based on the plans and information submitted by the applicant for the development described below, the Executive Director of the Coastal Commission hereby waives the requirements for a coastal development permit (CDP), pursuant to Section 30624.7 of the California Coastal Act.

Applicant: Southern California Edison (SCE)
P.O. Box 800
Rosemead, California 91770

Background and Project Description: The SCE Catalina Pebbly Beach Generating Station currently supports an emergency 125kW diesel generator within its main building. Due to increases in the need for interior space and electrical load capacity at the generating station, SCE proposes to remove this existing 125kW generator from within the main building and install a larger 250kW emergency diesel generator at an outdoor location. The installation of this generator would require an existing micro-turbine generator and associated electrical panel to be removed to make room for the emergency generator. In addition, the installation of the diesel generator would also require the construction of an 18.5 foot long extension to an existing eight foot high protective concrete wall on the seaward side of the generator pad, the removal and replacement of the existing 112 square foot concrete pad with a 116 square foot concrete pad, and the installation of a three inch high spill containment curb around this pad. The generator would include an attached 60 gallon capacity diesel fuel tank.

Waiver Rationale: For the following reasons, the proposed project will not have a significant adverse effect, either individually or cumulatively, on coastal resources, nor will it conflict with Chapter 3 policies of the Coastal Act:

- The diesel generator, protective wall, concrete pad and containment curb would be located adjacent to similar equipment on an industrial site within the boundary of the Pebbly Beach Generating Station. No grading or vegetation clearance activities are required. No vegetation or other sensitive resources exist at the project site. The height and size of the generator is consistent with the height and size of other industrial equipment on site.

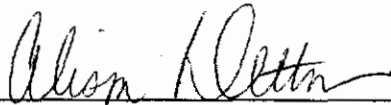
- The 60 gallon diesel fuel tank would be double-walled to prevent accidental puncture and spills and would be located on a curbed concrete slab with a spill containment capacity of over 150 gallons. SCE has a Spill Prevention and Counter Measure Plan for the Pebbly Beach Generating Station that includes specific measures for diesel fueling procedures, spill response, containment and clean-up.

Important: This waiver is not effective unless the project site has been posted and until the waiver has been reported to the Coastal Commission. This waiver is proposed to be reported to the Commission at the meeting of November 17-19, 2010 in Santa Monica, CA. If four or more Commissioners object to this waiver, a coastal development permit will be required.

Sincerely,

PETER M. DOUGLAS
Executive Director

By: _____



ALISON DETTMER
Deputy Director

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**NOTICE OF COASTAL DEVELOPMENT PERMIT WAIVER – DE MINIMIS**

DATE: November 4, 2010 **PERMIT NO:** E-10-015-W
TO: Coastal Commission and Interested Parties
SUBJECT: Waiver of Coastal Development Permit Requirements

Based on the plans and information submitted by the applicant for the development described below, the Executive Director of the Coastal Commission hereby waives the requirements for a coastal development permit (CDP), pursuant to Section 30624.7 of the California Coastal Act.

Applicant: Poseidon Resources Corporation

Background: This waiver would allow continued operation of an existing desalination test facility at the Encina Power Station in Carlsbad, San Diego County. The facility has operated since January 2003 under several one-year temporary waivers previously authorized by the Coastal Commission. This new waiver would allow the facility to operate until October 31, 2011, when the facility is to be removed and the site restored. The waiver would allow placement and operation of test equipment, connection to and use of the power plant cooling water system, and discharge of treated water to the cooling water system. It would also allow a small amount of the processed water (less than 1%) to be sent to laboratories for testing.

Project Location: Encina Power Station, 4600 Carlsbad Blvd., Carlsbad, San Diego County.

Project Description: The project purpose is to test and compare the effectiveness of various seawater desalination techniques and equipment under different seasonal source water conditions. The applicant has operated the facility since January 2003 in conjunction with the power plant owner, Cabrillo Power I LLC. The facility uses seawater from the Agua Hedionda lagoon after it passes through the power plant's once-through cooling system. The desalination test facility diverts up to 200 gallons per minute from the power plant's cooling system, which uses up to several hundred million gallons per day of seawater from the Agua Hedionda Lagoon. After processing and testing, the facility would return about 99% of the water to the existing power plant discharge, which is then discharged through a nearshore structure to the Pacific Ocean. Water not returned to the discharge is sent to laboratories for testing.

The facility includes sled-mounted desalination test equipment, a 500-gallon raw water tank, 500-gallon filter tank, pump/instrumentation skid, reverse osmosis equipment, operations office, and storage. The equipment covers less than 1500 square feet, and the tallest equipment is about 20 feet high. The facility is located on a parking lot west of the power plant, and covers about 30 of the plant's 184 parking spaces.

The project has been reviewed and approved by the San Diego Regional Water Quality Control Board. The Board determined that discharges from the proposed project would conform to the discharge limits of the power plant's existing NPDES permit, although it required additional sampling to confirm that the desalination discharge would meet those limits. The project has also been approved by the City of Carlsbad, and is subject to a City building permit, electrical permit, and Fire Marshal approval.

Waiver Rationale: For the following reasons, the proposed project will not have a significant adverse effect, either individually or cumulatively, on coastal resources, nor will it conflict with the policies of Chapter Three of the Coastal Act:

- The project is not expected to alter the existing water quality in Agua Hedionda or the nearshore discharge area of the Pacific Ocean, as it uses water already being used by the power plant and discharges recombined desalted water and brine back into the power plant's existing discharge at a rate well below 1% of the power plant's expected discharge volumes.
- There is little risk for movement of hazardous material offsite, as the project is located within the power plant boundaries and is subject to the plant's safety, hazardous material, and emergency response plans, as well as Fire Marshal review.
- The project takes place on an existing paved area within an existing industrial site. It does not require vegetation removal and it will have minimal impacts on other natural resources. The project site is surrounded by mature trees that screen the facility from passing motorists on Carlsbad Boulevard, so the project does not adversely affect visual resources.
- The project is not anticipated to limit or alter coastal access. The equipment covers about 30 of the 184 existing parking spaces within a restricted access area at the power plant. As part of a previous waiver application, the applicant stated that a recent parking survey showed the maximum parking demand at the plant was about 100 spaces, so the project will only take up what is considered excess parking capacity.

Important: This waiver is not valid unless the project site has been posted and until the waiver has been reported to the Coastal Commission. This waiver will be reported to the Commission at the meeting of November 17-19, 2010 in Long Beach. If four or more Commissioners object to this waiver, a coastal development permit will be required.

Sincerely,

Peter M. Douglas
Executive Director

By: 

ALISON J. DETTMER
Manager
Energy and Ocean Resources Unit

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EMERGENCY PERMIT

October 21, 2010

Applicant: Venoco, Inc.

Emergency Permit No.: E-10-013-G

Project Description: Emergency replacement of a damaged caisson wall to prevent failure of a capped oil well.

Location of Emergency Work: Shoreline of the Santa Barbara Channel, in the City of Goleta, Santa Barbara County, at Pier 421-2 (State Lands Lease No. 421).

Background: Venoco holds State Lands Commission Oil and Gas Lease 421 in Santa Barbara County. Structures at the lease site include two piers that extend out from the coastal bluff into nearshore waters. Each pier includes a concrete caisson approximately 68 feet wide, 42 feet long, and 16 feet high that protects its outer perimeter. Pier 421-1 surrounds and protects a capped water injection well and Pier 421-2 surrounds and protects a capped oil well. In 2004, part of the outer wall of the Pier 421-1 caisson was replaced. Currently, the caisson wall surrounding Pier 421-2 is in need of repair due to damage from continual wave action and storm events from last winter.

Note: This emergency permit is for work at Pier 421-2 only. The proposed activities are intended to prevent the release of oil from the capped well protected by the 421-2 caisson. Venoco is separately proposing to return these wells to production; this caisson wall, however, needs to be replaced immediately, regardless of the outcome of this other proposed action.

History: The wells were originally put into production in 1949. Both wells have been out of service since 1994 after oil leaked from one of the delivery pipelines. In November 2000, an inspection revealed a gas leak from the injection well. In responding to this leak, Venoco found other parts of the two wells, piers, and associated infrastructure that were corroded or in need of repair. Several agencies, including the Coastal Commission, issued permits or required Venoco to take immediate action to close the wells and repair the related infrastructure. Over the next few months, after several project and permit modifications, Venoco completed the repairs.

During ongoing inspections after those repairs, Venoco noted damage to the outer caisson wall of Pier 421-1. Venoco was in the process of applying for a CDP to address the damage when on January 19, 2004, after several severe storms, an approximately 15' x 20' section of the outer caisson wall collapsed onto the beach. On August 24, 2004, based on the recommendation of the State Land Commission, the Coastal Commission issued Emergency Permit E-04-013-G for the proposed work on Pier 421-1. The Commission issued a follow-up CDP permit, making the emergency work permanent, on July 11, 2007.

In 2010, inspections of the 421-2 pier revealed that significant new damage to the outer perimeter wall had caused the southwest corner of the inner caisson structure to be fully exposed, making it vulnerable to future storm loading and wave action. On September 16, Venoco submitted a CDP application for the repair of the 421-2 caisson. On September 27, 2010, the Executive Officer of the State Lands Commission sent a letter to the Coastal Commission staff stating that recent field observations and the annual structural inspection review led to the conclusion that the need for wall replacement is urgent and must begin as soon as possible to before the commencement of the winter storm season. He urged the Commission to approve an emergency permit to avert the potential collapse of the caisson structure and the release of oil into coastal waters. On that same day, Venoco requested an emergency permit from the Coastal Commission for the proposed work.

Work Proposed: The work consists of replacing the seaward caisson wall and parts of the two side caisson walls at Pier 421-2. The face of the new walls will be located about two feet seaward of the existing wall face. The walls will consist of concrete panels supported by internal steel pilings at 6 foot spacing with concrete grout between the old and the new walls. A similar retrofit design was used for the repair of the 421-1 caisson.

Most of the work will be done from the top of the existing pier and caisson structure; however, some work will require using heavy equipment on the beach to excavate sand to prepare the substrate for installing the new pilings and concrete panels. Equipment will access the beach via a temporary ramp at the PRC 421 west end access road.

The project is expected to take about 10 weeks. It will be carried out from 7 a.m. to 7 p.m. Mondays through Saturdays, although some staging or delivery to the work site may occur before or after those times. There will be approximately 56 truck trips over the 10 week work period by semi-trucks, concrete delivery trucks, dump trucks, vacuum trucks and similar heavy equipment.

The project is more fully described in Venoco's submittal of September 16, 2010. Following is a summary of the major work components:

- **Staging:** Venoco will stage construction and repair equipment on the private access road that connects their Ellwood Onshore Facility with the 421 piers. Access from the staging area to the caisson is via a temporary ramp at the PRC 421 west end access road.
- **Strengthening the caisson:** To minimize the amount of work and equipment on the beach, Venoco has proposed doing most of the repair work from the top of the caisson. This may require strengthening the caisson so it can support a 45-ton crane and pile driver. This work would include driving twenty pilings in the interior of the caisson and installing steel support flooring on top of these pilings. If this support work becomes necessary, plans approved by a registered engineer will be submitted to the Coastal Commission and the State Lands Commission for review.

- **Site preparation:** This work involves excavating beach sand to ensure clear access for drilling pile holes and to allow the concrete panels to be set on stable rock material. It will require operating heavy equipment on the beach. Venoco will use an excavator, an articulating front-end loader, a back hoe and a 4-wheeled all-terrain vehicle, and will gain access to the beach through a temporary sand ramp to be constructed from local beach sand. The ramp will reach from the beach to the top of an existing riprap wall. There are some intact portions of an existing ramp at this location, which had been used in the past for beach access for similar equipment.
- **Replacing the caisson walls:** The walls to be replaced include the entire 72-foot wide seaward wall and about 7 feet of each side wall adjacent to the seaward wall. Work includes installing a drill rig on the top of the caisson, using an excavator to clear sand away from the work area, drilling holes into the underlying bedrock for fifteen pilings, placing those pilings, and then placing about 70 pre-cast concrete panels as the new outer “face” of the caisson wall. The concrete panels will be keyed into the underlying bedrock. After the panels are in place, grout and concrete will be poured between the old and new walls. Equipment needed for this work include 4 semi trucks to deliver the equipment, 8 waste bins, a loader to load the bins, 30 concrete trucks, a concrete pump truck and 15 vacuum trucks to dispose of seawater.

Other Approvals: The work will also be subject to conditions imposed by the State Lands Commission. Venoco has applied to both the Regional Water Quality Control Board and the National Marine Fisheries Service for their approvals. The City of Goleta is also in the process of issuing an emergency permit for portions of the work in its jurisdiction.

Executive Director’s Determination: This permit constitutes approval of the emergency work you or your representatives have requested to undertake at the location listed above. I understand from your information that an unexpected occurrence in the form of the potential release of hydrocarbon substances from a capped oil and gas water injection well to marine waters caused by the partial collapse of a caisson wall protecting said well on State Lease 421 requires immediate action to prevent or mitigate loss or damage to life, health, property or essential public services, and is therefore necessary to avert an “emergency” within the meaning of that term as defined in the Commission’s administrative regulations. (14 Cal. Code of Regulations (CCR) § 13009).

The Executive Director hereby finds that:

- (a) An emergency exists which requires action more quickly than permitted by the procedures for administrative or ordinary permits and the development can and will be completed by January 31, 2011, unless extended pursuant to the terms of the permit;
- (b) Public comment on the proposed emergency action has been reviewed as time allows; and
- (c) As conditioned, the proposed work would be consistent with the requirements of the California Coastal Act of 1976.

Therefore, pursuant to authority conferred by Public Resources Code § 30624 and 14 CCR §§ 13136 – 13143, I hereby grant a coastal development permit for the proposed work, subject to the attached conditions.

Very Truly Yours,

PETER M. DOUGLAS
Executive Director

STANDARD CONDITIONS

1. This permit is not valid until a copy of the permit is signed by the permittee or authorized agent, acknowledging receipt of the permit and the acceptance of the terms and conditions, is returned to the Commission office.
2. The authorization conferred by this emergency permit to conduct the activities described in the application shall expire on January 31, 2011 unless, at least 72 hours before that date, Venoco applies for and the Executive Director grants for good cause, an extension of that expiration date.
3. Venoco shall not deviate from the operations, timing, or sequence of operations specified in the application unless and until authorized by the Executive Director.
4. Within 30 days of completing the onsite work, and no later than March 2, 2011, Venoco shall submit to the Coastal Commission a regular coastal development permit application to authorize the activities approved herein.

SPECIAL CONDITIONS

These conditions are in addition to those elements of the project included in Venoco's September 16, 2010 submittal.

5. Conditions of the September 16, 2010 State Lands Commission approval are incorporated by reference as conditions of this emergency permit.
6. At least five days before starting work at the project site, Venoco shall provide for Executive Director review and approval of the construction schedule (as described in State Lands Commission Condition #5), and the names of the proposed biologist(s) and marine mammal monitor(s) to be used on the project. Venoco shall also provide a checklist that summarizes the requirements to comply with conditions of this permit, the timing of those requirements,

and the personnel responsible for implementing those requirements. Work shall not begin without the Executive Director's written approval of each of the above project components.

7. There is a wetland adjacent to the road and the 421-2 Pier. No project activities shall occur within the wetland and Venoco shall mark the wetland boundary with temporary construction fencing.
8. Venoco shall stage construction and repair equipment on the private access road that connects their Ellwood Onshore Facility with the 421 piers or on other paved areas within the Ellwood Onshore Facility.
9. There is existing access along the beach seaward of the pier and underneath the pier. Public access shall be maintained during most of the project, except when the project activities may make access hazardous. Venoco shall have safety personnel to direct any beach users away from the project area when conditions are unsafe.
10. A biologist(s) approved by the Executive Director shall be present during all project operations when activities could result in harm to sensitive species or habitat. An approved marine mammal monitor(s) (see Special Conditions for Marine Mammal Protection for additional details) shall be present at all times during work on the pier or in the beach area. The monitor(s) shall ensure that Venoco and its contractors fully comply with the conditions of this permit related to biological protection.
11. The approved biologist shall conduct two surveys immediately before work is scheduled to begin (i.e., the evening before and the morning of) for western snowy plovers. Work will not begin if plovers are present.
12. No more than 48 hours before starting work at the project site and within one week of completing project work, the approved biologist(s) shall photograph the project area, including the area of the beach ramp and the area above and below the 421-2 pier and shall describe in writing the condition of existing vegetation and landforms.
13. Venoco shall maintain a daily log of project activities that includes the observations of the approved biologist(s) and marine mammal monitor(s). They shall record in that log both written and photographic descriptions of any observed or potential effects of the project on species of concern. For damage to or destruction of vegetation caused by project activities, the biologist(s) shall note the affected species, date, time, location, size and area of impact, and the activity contributing to the damage or destruction. The log shall also include descriptions of any spills, releases, or debris that affects coastal waters and the beach area along with a description of the measures taken to address these events. Within thirty days of project completion, and no later than March 2, 2011, Venoco shall submit to the Executive Director a written report incorporating the above information and the pre- and post-disturbance photographs.

14. If there is a spill or hazardous material release (including oil, fuel, other petroleum products, or any hazardous chemicals), or any disturbance or “take” of marine mammals, Venoco shall immediately contact Coastal Commission staff (Kate Huckelbridge at 415-396-9708, and for oil spills, Robin Blanchfield, at 415-904-5247) and the other contacts required in the project’s spill plan or marine mammal monitoring plan, and shall provide via facsimile (415-904-5400) the daily log that fully describes the incident.

Construction Methods and Activities:

15. No fill beyond that described in the September 16, 2010 project plan (i.e., the footprint of the new caisson wall and the sand ramp to be built for beach access) shall be placed without additional written approval of the Executive Director. Other than in the immediate area of the ramp, the bluff face and toe of the bluff slope shall not be altered in any way.
16. No activities to widen, improve, or change the footprint of the Lease 421 access road shall occur without additional written approval of the Executive Director.
17. Best Management Practices (BMPs) for construction activities contained in the California Storm Water Best Management Practices Handbook (March 1993) or other BMPs shall be implemented to minimize erosion and limit sedimentation of receiving waters. At a minimum, silt fencing shall be installed and maintained along the access road for the duration of the project.
18. All construction work shall occur only between the hours of 7 a.m. and 7 p.m. Monday through Saturday. On no more than five days during the construction period, on days where the low tide occurs relatively late in the day, construction work may continue until 9 p.m.
19. Any night lighting shall be directed in such a way to reduce potential impacts to sensitive species and habitats while maintaining safe work conditions. Lighting shall be directed towards the pier and not towards any Environmentally Sensitive Habitat Area or any neighboring properties to the maximum extent feasible.
20. All feasible measures shall be taken to achieve 100% containment of the concrete, grout, and other similar materials used during the project as well as any water exposed to those materials. All excess materials not needed for the wall replacement and all water exposed to the concrete and grout shall be removed from the project area and properly disposed of offsite in an upland area. A vacuum truck shall be on site at all times during operations involving these materials.

Marine Mammal Protection:

21. This emergency permit does not authorize harassment, disturbance, or other forms of “take” of marine mammals.

22. During pile-driving work, Venoco shall station a National Marine Fisheries Service-approved marine mammal monitor at the project site. Pile driving shall be suspended if any marine mammals are observed within 500 feet of the project site and will not resume until the marine mammals are outside of that area. The marine mammal monitor(s) will be responsible for monitoring this zone during pile driving activities. In the event that the monitor(s) determine a mammal has entered this zone, the monitor(s) shall have the authority to suspend pile-driving activities until the mammal has passed outside of this zone.
23. An initial “ramp-up”, or gradual increase to full power, period shall occur when starting pile-driving activities to avoid potential impacts to marine mammals that may be undetected within the safety zone.
24. Venoco shall schedule pile-driving activities during periods of low tides to the maximum extent feasible to minimize potential noise impacts to marine mammals.
25. Any night lighting shall be directed in such a way to reduce potential impacts to marine mammals and other wildlife while maintaining safe work conditions. Lighting shall not be directed southward over the water. In addition, to minimize effects on neighboring properties, lighting shall not be directed westward.

Spill Prevention and Response:

26. During the project, Venoco shall have at the project site spill response equipment that may be needed to immediately respond to the maximum credible spill identified in the project-specific oil spill contingency plan dated October 14, 2010.
27. A vacuum truck shall either be on the project site or immediately deliverable for oil spill response during project operations.
28. Equipment shall not be refueled on the beach or in areas where adequate spill prevention and response measures are not in place.
29. Venoco shall install protective barriers under all heavy equipment to insure that fuel or fluid leaks do not contaminate soil, coastal waters, or groundwater.
30. Equipment shall be inspected daily for fuel or fluid leaks. Leaking equipment shall be repaired or replaced immediately.

Acknowledgment:

The undersigned permittee acknowledges receipt of this permit and agrees to abide by all terms and conditions thereof.

The undersigned permittee acknowledges that Government Code § 818.4 which states in pertinent part that “A public entity is not liable for injury caused by issuance ... of any permit ...” applies to this permit.

IMPORTANT: THIS PERMIT IS NOT VALID UNLESS AND UNTIL A COPY OF THE PERMIT WITH THE SIGNED ACKNOWLEDGMENT HAS BEEN RETURNED TO THE COMMISSION OFFICE. 14 CCR § 13158(a).

By: _____
Signature of Permittee

Date: _____