

CALIFORNIA COASTAL COMMISSION

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W6a

ADMINISTRATIVE PERMIT

APPLICATION NO: E-10-010

APPLICANTS: LCW Partners, LLC

PROJECT LOCATION: LCW's Bixby "A" area, located on the corner of 2nd street and Shopkeeper Road in Long Beach, CA within the Los Cerritos Wetlands.

PROJECT DESCRIPTION: The project involves: (1) the removal of three shut-in crude oil pipelines from a wetland area within the Los Cerritos Wetland complex, and (2) the construction of approximately 802 linear feet of new crude oil pipeline on an adjacent service road.

EXECUTIVE DIRECTOR'S DETERMINATION: The findings for this determination, and for any conditions, appear on subsequent pages.

NOTE: Public Resources Code § 30624 provides that this permit shall not become effective until it is reported to the Commission at its next scheduled meeting. If one-third or more of the appointed Commissioners so request, the Executive Director's permit issuance shall not be effective, and the application shall be set for public hearing at a subsequent Commission meeting.

This permit will be reported to the Commission at the following time and location:

DATE: Thursday, September 16, 2010
TIME: Meeting begins at 9:00 a.m., Item W6a
PLACE: Wharfinger Building
1 Marina Way
Eureka, CA 95501

IMPORTANT – Before you may proceed with development, the following must occur:

Pursuant to 14 CCR §13150(b) and 13158, you must sign the enclosed duplicate copy acknowledging the permit's receipt and accepting its contents, including all conditions, and return it to our office. Following the Commission's meeting, and once we have received the signed acknowledgement, we will send you a Notice of Administrative Permit Effectiveness.

BEFORE YOU MAY PROCEED WITH DEVELOPMENT, YOU MUST HAVE RECEIVED BOTH YOUR ADMINISTRATIVE PERMIT AND THE NOTICE OF PERMIT EFFECTIVENESS FROM THIS OFFICE.

PETER M. DOUGLAS
Executive Director

By: _____
ALISON DETTMER
Deputy Director
Energy, Ocean Resources and Federal Consistency Division

ACKNOWLEDGEMENT OF PERMIT RECEIPT AND ACCEPTANCE OF CONTENTS:

The undersigned permittees acknowledge receipt of this permit and agree to abide by all terms and conditions thereof.

The undersigned permittees acknowledge 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 issuance of this permit.

Applicant's Signature _____
Date _____

STANDARD CONDITIONS

1. **Notice of Receipt and Acknowledgment.** The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.
2. **Expiration.** If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.
3. **Interpretation.** Any questions of intent of interpretation of any condition will be resolved by the Executive Director or the Commission.
4. **Assignment.** The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.
5. **Terms and Conditions Run with the Land.** These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

SPECIAL CONDITIONS

1. To avoid potential impacts to wetland plant species, removal of the shut-in crude oil pipeline shall only occur during the dry season, while the wetland soil is visibly dry and hard.

1.0 EXECUTIVE DIRECTOR'S DETERMINATION (continued)

The Executive Director hereby determines that the proposed development is a category of development, which, pursuant to PRC § 30624, qualifies for approval by the Executive Director through the issuance of an administrative permit. Subject to the Standard Conditions that are attached, said development is in conformity with the provisions of Chapter 3 of the Coastal Act of 1976, and will not have any significant impacts on the environment within the meaning of the California Environmental Quality Act.

2.0 FINDINGS FOR EXECUTIVE DIRECTOR'S DETERMINATION

2.1 Project Setting and Background

LCW's oil field is located in the Los Cerritos Wetlands, a brackish and freshwater wetland complex at the mouth of the San Gabriel River in Long Beach, California (see Exhibit 1). The specific project location - the Bixby "A" area - is part of a larger group of wetlands that are hydraulically connected to the San Gabriel River approximately 500 meters upstream of the river's terminus at the Pacific Ocean.

LCW purchased the fee interest and mineral rights to the former Bixby Oil Field from the Bixby Ranch Company in October of 2007. This land includes approximately 25 active oil wells that were originally drilled starting in the 1920's. Oil drilling activities at this location pre-dated the Coastal Act.

On February 4 and 15, 2010, two different oil well flow lines in the Bixby "A" area experienced pin-hole leaks due to corrosion, resulting in the release of 11-17 gallons of crude oil into the wetland cell. After discovering the second leak, LCW immediately shut in both flow lines and applied for an emergency

coastal development permit to construct a new pipeline on the adjacent work road¹. LCW relocated approximately 802 feet of pipeline to the road to minimize impacts to the wetlands from any future spill or maintenance activities. The emergency permit (E-10-010), issued on February 25, 2010, authorized the construction of the new pipeline and the flushing and capping of the leaky pipeline (see Exhibit 2 and 3). The emergency permit included several conditions, including a requirement for LCW to submit a coastal development permit (CDP) application to make this work permanent and to submit plans for the removal of the corroded pipeline during the dry season (i.e., spring and summer). The applicant did not meet the conditions of the emergency permit in a timely manner, constituting a Coastal Act violation. Eventually, LCW did submit a follow-up CDP application.

LCW performed the work detailed in the emergency permit during the months of February and March. On February 16-17, the leaking pipelines were inspected, flushed with 25 barrels of clean, hot water, and capped. The Environmental Protection Agency supervised this work, in conjunction with its oversight of the oil spill clean-up activities. Construction of the new pipeline began on March 2, 2010 and wrapped up on March 19, 2010, at which point the new pipeline was put into service.

2.2 Project Description

This permit covers two activities on LCW's Bixby "A" area: 1) construction of approximately 802 feet of pipeline, as temporarily authorized in Emergency Permit E-10-002-G, and 2) the removal of three , corroded and now shut in pipelines from the wetlands (see Exhibit 2). To construct the new line, LCW placed approximately 802 feet of pipeline on secured pipe-racks on the road bordering the wetland cell. The pipeline consists of 2.5" schedule 80 seamless steel pipe sleeved and sealed inside of a 4" steel pipe, and was built to comply with the California Division of Oil and Gas and Geothermal Resources (DOGGR) oil and gas pipeline standards². All pipes have internal corrosion inhibitors and external casings to prevent corrosion and all wellheads connected to the pipelines have high/low pressure shut downs. Once installed, the new pipelines successfully passed hydro-testing in accordance with the American Petroleum Institute standards.

LCW anticipates that removal of the old, corroded pipes will take 1-2 days and has scheduled this project for the fall of 2010 before the rainy season starts and the wetlands become saturated. The pipe removal will be accomplished using the extended arm of a 10 ton crane to lift the old pipes out of their current position and into a dump truck. Because of the proximity of the service road to the wetland cell, the crane and all other machinery will be stationed on the road; no equipment will be placed in the wetland cell. One member of the team, however, will need to be in the dry wetland cell to handle the pipe and hook it on to the lift arm of the crane. Once removed, the old pipe will be taken to the Laidlaw hazardous waste facility in Buttonwillow, CA.

A certified biologist will review the pipeline removal process and be present during the initial staging to ensure that the work avoids all adverse impacts to the wetlands. The biologist will instruct the workers on how to avoid damaging the sparse wetland vegetation, and if he or she deems it necessary, will order the use of lightweight booms to further protect the vegetation while the old pipelines are guided into the lift arm unit. A spill containment trailer will be onsite in case of any spillage.

¹ Oil spill clean-up activities involved the deployment of booming and sorbent diapers in the spill area. These activities were authorized and coordinated by the US Environmental Protection Agency (USEPA) and the California Department of Fish and Game - Office of Oil Spill Prevention and Response (OSPR) and did not require a permit from the Commission.

² These DOGGR standards include: ASTM A53B-2002/A106B-2002a / ASME SA53B/SA106B-2004, API B/X42, PSL-2004, NACE MR-0175-1999

3.0 Coastal Act Issues

3.1 Biological Productivity of Wetlands

Coastal Act § 30231 states:

The biological productivity and the quality of coastal waters, streams, wetlands, estuaries, and lakes appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored through, among other means, minimizing adverse effects of waste water discharges and entrainment, controlling runoff, preventing depletion of ground water supplies and substantial interference with surface water flow, encouraging waste water reclamation, maintaining natural vegetation buffer areas that protect riparian habitats, and minimizing alteration of natural streams.

Although parts of the Los Cerritos wetland ecosystem have been degraded by the long-term oilfield operations, it nonetheless still functions as a seasonal salt marsh and provides critical habitat for a variety of animal and plant species. Thus, a development project within the Los Cerritos Wetlands that could impact a wetland cell must be found consistent with Section 30231 of the Coastal Act.

As with other areas in the Los Cerritos Wetlands, past development has rendered the wetland habitat at the Bixby "A" area marginal at best. The dominant plant species in the impacted site and surrounding area is pickleweed (*Salicornia* sp.), a native wetland plant, although saltgrass (*Salicornia virginica*), alkali heath (*Distichlis spicata*), and southern tarplant (*Frankenia salina*) are also present. Prior to the February spills, vegetation covered only 5% of the site³. Moreover, as part of the oil spill clean-up activities, the USEPA, in consultation with the US Fish and Wildlife Service (USFWS) and the California Department of Fish and Game (CDFG), ordered that all contaminated pickleweed be cut and removed from the site shortly after discovery of the spill. The pickleweed was cut below the water line but above the root line, so that the oil contamination was removed but the plant could regenerate.⁴

Partially due to the degraded nature of the wetland habitat, impacts to the ecosystem from LCW's prior and proposed work are expected to be negligible. During the construction of the new pipeline in February and March, all equipment and other materials were sited on the adjacent road and did not enter the wet cell at any time, and only a very small sparsely vegetated area, about 3 feet by 5 feet in size, was subjected to minimal foot traffic. Because the wetland was flooded during this period it was not possible to directly assess the impacts to vegetation. However, if the pickleweed in this small area did sustain some damage, these impacts would likely be temporary until such time as the vegetation starts a new life cycle and regenerates. Subsequent monitoring appears to validate this assumption. In August 2010, the biologist hired by LCW noted that the pickleweed in the affected area appears to have recently germinated, covering 10-15% of the ground with plants less than six inches in height.

³ The vegetation coverage at the wetland was documented by two sources: (1) Tony Bomkamp, the biological consultant hired by LCW, who observed that prior to the oil spill, the area was "unvegetated" or "very sparsely vegetated;" and (2) Robert Wise, the On-Site Coordinator for the USEPA, who noted in Pollution Report #4, issued on February 16, 2010, that approximately 5% of the surface area covered by the spill contained pickleweed.

⁴ These oil spill clean-up activities are discussed to help establish the biological baseline prior to the new pipeline construction, but, as mentioned above, are not included in this permit.

Short-term impacts from the removal of the shut-in pipelines are also expected to be insignificant. Special Condition 1 of this permit requires that this work will be carried out during the dry season, when the soil is dry and hard, and thus potential impacts to wetland vegetation can be better assessed and avoided. As discussed in Section 2.2, the removal of the shut-in pipelines will be accomplished using a crane that will be stationed on the adjacent service road and will not enter the wetland at any time. Accordingly, the only potential impacts to the vegetation would be from foot traffic in an approximately 8 by 12 foot area from the one worker needed to operate the lift arm of the crane. And, to avoid even these minimal impacts, LCW will have a biologist with wetlands expertise present to mark patches of existing vegetation and ensure that they are avoided during the pipeline removal process, including ordering the use of lightweight booms, if necessary. Moreover, because the soil is dry and hard during the dry season when this work will be carried out, damage from compaction due to footfalls is not anticipated.

In addition to minimizing short-term impacts, the activities proposed by LCW are expected to improve the quality of the wetland habitat over the long term. By removing the corroded pipelines from the wet cell, LCW will be taking the initial step in restoring the wetland back to a more natural state. For example, once the pipeline is removed, the wetland will no longer be subjected to disturbance from pipeline maintenance and monitoring activities. Additionally, the future risk of damage due to an oil spill will be removed.

For the reasons described above, the Executive Director finds that LCW's project for the removal of shut-in pipelines from a wetland and the construction of new pipelines on the adjacent road will maintain the biological productivity of the wetlands, and therefore is consistent with the provisions of Coastal Act § 30231.

3.2 Environmentally Sensitive Resources: Dredging of Wetlands

Coastal Act § 30233 states in relevant part:

(a) The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:

- (1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities.*
- (2) Maintaining existing, or restoring previously dredged depths on existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.*
- (3) In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities and the placement of structural pilings for public recreational piers that provide public access and recreational opportunities.*
- (4) Incidental public service purposes, including but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.*
- (5) Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.*

- (6) *Restoration purposes.*
- (7) *Nature study, aquaculture, or similar resource dependent activities.*

For purposes of Coastal Act § 30233, the excavation, removal, or any other artificial disturbance of any sediment or soil in a wetland constitutes an act of “dredging” such material. LCW’s project, which involves the disturbance of soil and vegetation within the Los Cerritos wetlands, is classified as a dredging activity within a wetland and is therefore subject to the policies of Coastal Act § 30233.

The Commission’s Executive Director may authorize a project that includes dredging of wetlands if the project meets the three tests of Coastal Act § 30233(a). The first test requires that the proposed activity fit into one of seven categories of uses enumerated in Coastal Act § 30233(a)(1)-(7). The second test requires that there be no feasible less environmentally damaging alternative. The third and final test mandates that feasible mitigation measures be provided to minimize the project’s adverse environmental effects.

The express purpose of LCW’s project is to restore the wetland to its natural state by removing the old, corroded flow lines from within the wet cell and replacing them with new flow lines on the adjacent work road. This “restoration” project is an allowable use under Coastal Act § 30233(a)(6), and it therefore satisfies the first test.

As discussed in Section 2.1, LCW shut in the corroded pipelines within the wetland to stop the oil spill that precipitated the emergency permit. The new flow lines were installed on the adjacent road to avoid future impacts to the wetland. Other alternatives would include leaving the corroded pipelines in service or replacing the corroded flow lines with new pipeline within the wetland. Either of these alternatives would result in a larger risk of adverse impacts to the wildlife and to the biological productivity of the surrounding Los Cerritos wetland areas. Therefore, the Executive Director finds the project consistent with the second test of Coastal Act § 30233(a).

The final test requires that feasible mitigation measures be provided to minimize the project’s adverse effects. As discussed in the previous sections, LCW’s project is expected to incur very minor short-term impacts; LCW has taken steps to minimize those impacts, and the project should actually provide a long-term benefit to the wetland ecosystem. Therefore, the Executive Director determines that, as described in section 3.1, impacts from this project are sufficiently minimized and the implementation of further mitigation measures is unnecessary. Consequently, the Executive Director finds that the third and final test of Coastal Act § 30233(a) is also satisfied.

4.0 Alleged Violation

The terms and conditions of Emergency Permit No. E-10-002-G, which temporarily authorized the construction of a new pipeline on the service road adjacent to the wetland in the Bixby “A” area were not met in a timely manner, constituting a Coastal Act Violation. Although an allegation of a Coastal Act violation exists, consideration of the application by the Commission has been based solely upon the policies of Chapter 3 of the Coastal Act.. A Commission review and action on this permit does not constitute a waiver of any legal action with regard to the alleged violation, nor does it constitute a waiver of any legal action with regard to the alleged violation, nor does it constitute an implication of the legality of any development undertaken on the subject site without a coastal permit, or that all aspects of the violation have been fully resolved.

shopkeeper Rd. and 2nd. St. long beach - Google Maps

Page 1 of 1



map of long beach ca

Exhibit
1

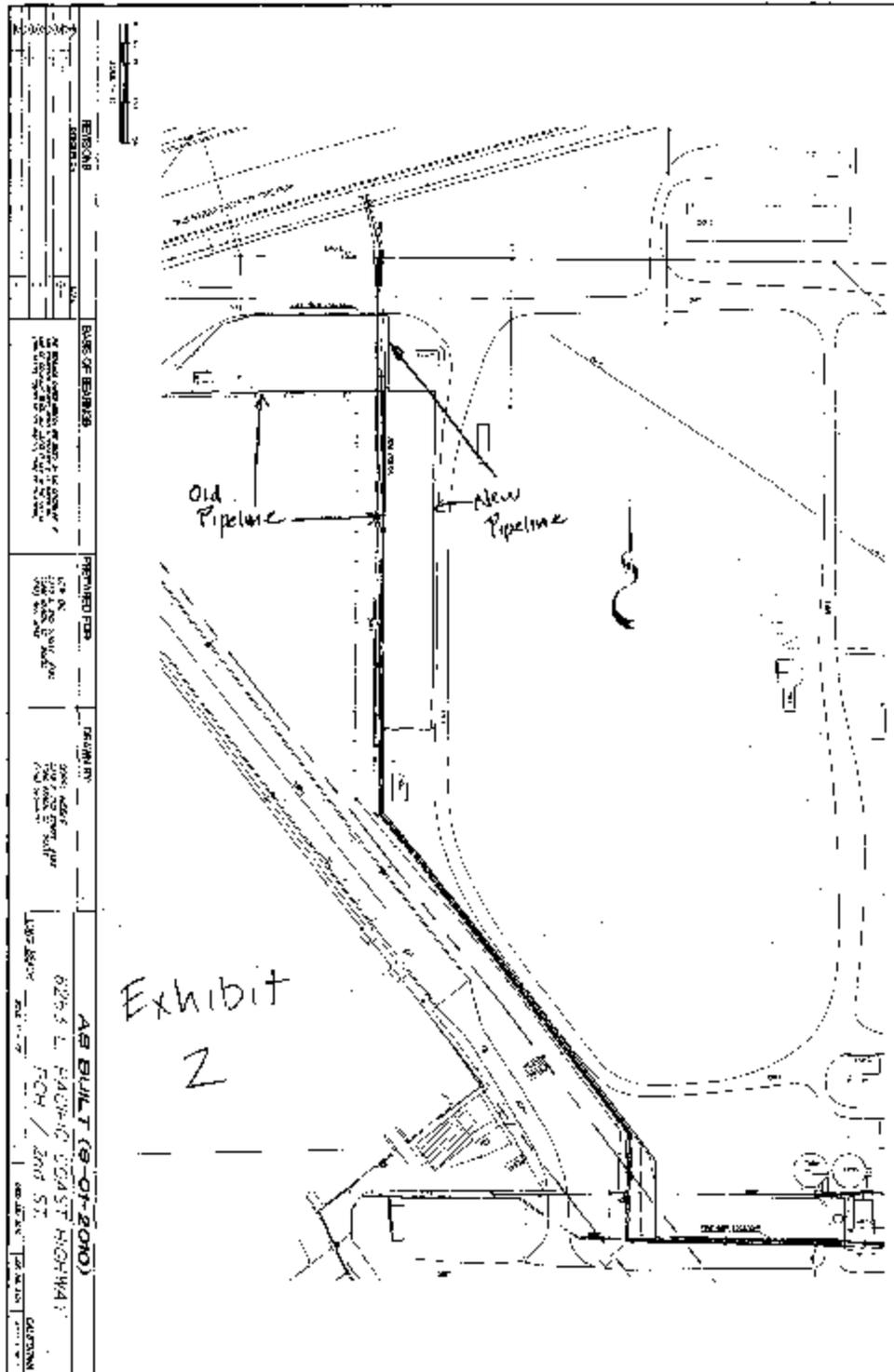


EXHIBIT 3

CALIFORNIA COASTAL COMMISSION

NORTH CENTRAL COAST DISTRICT
45 FREMONT, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE AND TDD (415) 904-5260
FAX (415) 904- 5400



EMERGENCY PERMIT

Ken Ehrlich
Jeffer, Mangels, Butler & Marmaro LLP
1900 Avenue of the Stars, 7th Floor
Los Angeles, California 90067

Date: February 25, 2010
Emergency Permit No. E-10-002-G

LCW Partners, LLC
6433 E. 2nd Street,
Long Beach CA 90803

LOCATION OF EMERGENCY

The project work site is located at the corner of 2nd Street and Shopkeeper Road, in the Bixby "A" oil lease in the Los Cerritos wetlands.

EMERGENCY WORK

Re-locate and replace three corroded oil well-flow-pipelines from the wetland areas onto the adjacent work-road. One of these oil well-flow lines had a pin-hole rupture that leaked between 11-17 gallons of crude oil into a wet cell of the Los Cerritos Wetlands on February 15, 2010. Another flow-lines connected to this pipeline system had a pin-hole rupture that leaked and created an oil spill sheen into the same wet cell area on February 4, 2010. The oil well that is connected to the ruptured well-flow-line has been shut-down, therefore there is no imminent threat of another oil spill. However, the existing pipelines are directly in and above a wetland water area, and should be moved to a less environmentally sensitive location as soon as possible in order to avoid future potential releases into the wetland habitat area.

The Permittee proposes to build three new pipeline sections (on pipe-racks) that will be re-located approximately 40 feet to the east to the adjacent work-road. Once the new pipelines are approved and put into service, the existing shut-in –pipelines will be flushed and capped, and then left in place temporarily until the 2010 dry season (spring and summer), at which time the Permittee proposes to remove them completely. The removal of the three existing pipelines is not authorized by this emergency permit.

The Permittee proposes to replace approximately 500 feet of pipeline. The new pipeline will be constructed of 2.5” schedule 80 seamless steel pipe sleeved and sealed inside of a 4” steel pipe. The pipes will have internal corrosion inhibitor and external casing to

prevent corrosion. All well heads connected to the pipelines will have high/low pressure shut downs. When the new pipelines are complete they will be hydro-tested according to API standards. The pipelines will be built to the following standards: ASTM A53B-2002 /A106B-2002a / ASME SA53B/SA106B-2004, API B/X42, PSL-2004, NACE MR-0175-1999.

This letter constitutes approval of the emergency work that you or your representative have requested to be done at the location listed above. I understand from your information that an unexpected occurrence was discovered by LCW personnel in the form of two oil spills on Bixby Lease "A;" one on February 4, 2010, and one on February 15, 2010. The spills occurred as the result of pin-hole leaks in the flow lines due to corrosion. (See the attached US EPA Pollution Reports.) Replacement of these corroded and ruptured pipelines requires immediate action to prevent or mitigate loss or damage to life, health, property or essential public services pursuant to 14 Cal. Admin. Code Section 13009. The Executive Director of the California Coastal Commission hereby finds that:

- (a) An emergency exists that requires action more quickly than permitted by the procedures for administrative or ordinary coastal development permits (CDPs), and that the development can and will be completed within 30 days unless otherwise specified by the terms of this Emergency Permit; and
- (b) Public comment on the proposed emergency development has been reviewed if time allows.

The emergency work is hereby approved, subject to the conditions listed on the attached pages.

Sincerely,

ALISON DETTMER
Deputy Director

cc: Steve Sawyer, California Office of Spill Prevention and Response
Chris Wiese, California Office of Spill Prevention and Response
Cory Kong, California Office of Spill Prevention and Response
Rob Wise, U.S. Environmental Protection Agency
Martin Wells, California Division of Oil and Gas and Geothermal Resources

Enclosure: Acceptance Form

CONDITIONS OF APPROVAL:

1. The enclosed Emergency Permit Acceptance form must be signed by the property owner and returned to our office **within 15 days.**

2. Only that work specifically described in this permit and for the specific property listed above is authorized, except for the removal of the existing pipelines which is not authorized by this emergency permit. Work shall be limited to what is proposed and described in the emergency permit application.
3. All work shall occur at a time and in a manner that will avoid or minimize (solely if it cannot be avoided) any potential damages to sensitive natural resources. Special attention shall be made to avoid and minimize (solely if it cannot be avoided) potential impacts to the following sensitive species that are known to inhabit or may inhabit the wetland and wetland transition areas surrounding the proposed project site: pickleweed, *Salicornia virginica*, saltgrass, *Distichlis spicata*, alkali heath, *Frankenia salina*, southern tarplant, *Centromadia parryi australis*, salt marsh wandering skipper, *Panoquina errans*, and Belding's savannah sparrow, *Passerculus sandwichensis beldingi* .
4. The work authorized by this permit must be completed **within 60 days** of the date of this permit, which shall become null and void after that time passes unless extended by the Executive Director for good cause.
5. The Permittee recognizes that the emergency work is considered temporary and subject to removal unless and until a regular coastal development permit permanently authorizing the work is approved. A regular permit would be subject to all of the provisions of the California Coastal Act and may be conditioned accordingly. These conditions may include provisions for procedures for the operation and shut down of pipelines to prevent oil spills and for the protection of sensitive species and habitat.
6. In exercising this permit, the Permittee agrees to hold the California Coastal Commission harmless from any liabilities for damage to public or private properties or personal injury that may result from the project.
7. A copy of the signed Emergency Permit shall be maintained in a conspicuous location at the staging area site at all times, and such copy shall be available for public review on request. All persons involved with the construction shall be briefed on the content and meaning of the Emergency Permit, including all of its terms and conditions, prior to commencement of construction.
8. This permit does not obviate the need to obtain necessary authorizations and/or permits from other agencies, including but not limited to, Division of Oil and Gas and Geothermal Resources (DOGGR), City of Long Beach Fire Department, California Department of Fish & Game, U.S. Fish & Wildlife, and the U.S. Army Corps of Engineers. All work conducted under this emergency permit shall comply with the conditions and requirements of all necessary authorizations and/or permits.

9. All new pipelines constructed under this emergency permit shall meet the federal and state pipeline standards (as specified in DOGGR's regulations: 14 CCR Division 2 Section 1774) and shall include, but not be limited to, the following standards: ASTM A53B-2002 / A106B-2002a / ASME SA53B/SA106B-2004, API B/X42, PSL-2004, NACE MR-0175-1999. All new pipelines shall have cathodic protection to prevent corrosion in accordance with the applicable federal and state pipeline cathodic protection standards. All new pipelines shall be tested in accordance with the DOGGR pipeline testing standards in the presence of DOGGR staff before they are put into service.
10. The existing old flow lines that are located in the wet cell areas of the wetland shall remain shut down, and will be flushed and capped after DOGGR approves the new replacement pipelines for service. During the flushing and capping of the existing old flow lines, LCW's oil spill response contractor, ACTI, shall be onsite with oil spill response equipment ready for immediate deployment in the event of an accidental spill from the flushing operations.
11. The flushed and capped old well-flow lines will remain in place temporarily until the dry season of 2010 (spring and summer), at which time they shall be removed by LCW. The removal of these pipelines is not authorized by this emergency permit. LCW must obtain approval for the removal of these pipelines as part of the follow-up regular coastal development permit before it may commence removal of these pipelines.

Construction Responsibilities:

12. Construction activities and equipment shall avoid wetlands and wetland transition areas and minimize disturbance adjacent to these areas to the maximum extent feasible by project design and implementation including, but not limited to, confining construction to the roadbed. No construction equipment, materials, or debris shall be placed in wetlands or wetland transition areas.
13. All construction activities that result in discharge of materials, polluted runoff, or wastes to wetlands and wetland transition areas shall be prohibited. The Permittee shall collect, contain, and properly dispose of all construction leaks, drips, by-products, and any similar contaminants through the use of containment structures or equivalent as necessary (including through the use of collection devices and absorbent materials placed below any above-ground work where such contaminants are possible and/or expected). A straw waddle shall be placed around all active portions of the construction site where any debris could enter wetland standing water. Equipment washing, refueling, and/or servicing shall not take place near the wetland, on the roadway or the project site. Contractors shall insure that work crews are carefully briefed on the importance of observing the appropriate precautions and reporting any accidental spills.

14. The construction site and staging area(s) shall be maintained with good construction housekeeping measures (e.g., clean up all leaks, drips, and other spills immediately; keep materials covered and out of the rain); the Permittee shall dispose of all wastes properly, place trash receptacles on site for that purpose, and cover open trash receptacles during wet weather; and remove all construction debris from the roadbed. The Permittee shall dispose of all hazardous materials properly in accordance with State and Federal regulations.

Post-Construction Responsibilities:

15. **Within seven days** of completion of the construction work authorized by this Emergency Permit, the Permittee shall submit photographic evidence of compliance with the Emergency Permit.
16. **Within 30 days** of completion of the construction work authorized by this Emergency Permit, the Permittee shall submit as-built plans of the new pipeline construction that clearly identifies the work completed under the emergency authorization and a narrative description of all emergency construction activities undertaken pursuant to this Emergency Permit. The Permittee shall also provide records of the actual cost of completing the authorized work.
17. **Within 60 days** of the date of this Emergency Permit, the Permittee shall apply for a regular coastal development permit to have the emergency work be considered permanent. The application for this regular permit shall provide for the removal of the three old corroded pipelines that were replaced. If no such application is received, the emergency work shall be removed in its entirety within 150 days of the date of this permit unless waived by the Director.
18. If any wetlands, wetland transition areas, or buffer zones adjacent to the roadway (except for the access roadway) are impacted by the work authorized by the Emergency Permit, a restoration plan may be required in the follow-up regular permit process.
19. **Failure to submit a follow-up coastal development permit application in a timely manner will constitute a Coastal Act violation and may result in formal enforcement action by the Commission. This formal action could include a recordation of a notice of violation on your property, a civil lawsuit, the issuance of a cease and desist and/or restoration order, and/or imposition of monetary penalties, including daily penalties of up to \$15,000 per day under section 30820(b) and other applicable penalties pursuant to chapter 9 of the Coastal Act.**

STATE OF CALIFORNIA - NATURAL RESOURCES AGENCY
CALIFORNIA COASTAL COMMISSION
NICHOLSON BALCH AND BIRNEY
45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105-2219
PHONE (415) 904-5240 FAX (415) 904-5400
FAC (415) 904-5400

PERIODIC REPORTING REQUIREMENTS



EMERGENCY PERMIT ACCEPTANCE FORM

TO: CALIFORNIA COASTAL COMMISSION
ENERGY, OCEAN RESOURCES, AND FEDERAL CONSISTENCY DIVISION
45 FREMONT STREET, SUITE 2000
SAN FRANCISCO, CA 94105-2219
(415) 904-5240 FAX (415) 904-5400

RE: Emergency Permit No. E-10-002-G (I CW Partners LLC)

INSTRUCTIONS: After reading the Emergency Permit, please sign this form and return to the Energy and Ocean Resources Unit in the San Francisco office within 15 working days from the permit's date.

I hereby understand all of the conditions of the emergency permit being issued to me and agree to abide by them.

I also understand that the emergency work is TEMPORARY and that a regular Coastal Permit is necessary for any permanent installation. I agree to apply for a regular Coastal Permit by April 17, 2010 or remove the emergency work in its entirety by July 16, 2010.



Signature of property owner or
Authorized Representative

Tom Deane, Managing Director

Name

1100 Potrero

Address

3006 Long Beach Blvd
LB CA 90807

2/25/2010

Date of Signing