FINAL

COMPENDIUM OF CALIFORNIA COASTAL COMMISSION DECISIONS

UNDER THE FEDERAL CONSISTENCY PROVISIONS

Phase I: OCS Oil and Gas Drilling and Related Onshore Facilities
September 1983-Present

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Α.

A COMPENDIUM OF CALIFORNIA COASTAL COMMISSION ACTIONS UNDER THE FEDERAL CONSISTENCY PROVISIONS OF THE COASTAL ZONE MANAGEMENT ACT

PHASE I OUTER CONTINENTAL SHELF OIL AND GAS AND RELATED ACTIVITIES

I. INTRODUCTION

This Compendium has been prepared under a grant from the Office of Ocean and Coastal Resource Management (OCRM), a unit of the National Oceanic and Atmospheric Administration (NOAA). This Compendium summarizes the California Coastal Commission's actions over the past five years on energy and energy-related projects reviewed under federal consistency provisions. These projects are primarily oil and gas plans of exploration (POEs) and development and production plans (DPPs) on the Outer Continental Shelf (OCS). This Compendium also contains summaries of Commission decisions on related projects, including onshore developments related to offshore oil and gas projects. Maps of all project locations are shown in Appendix A.

Background

Declaring wise and orderly protection and management of America's coastal zone as national policy, Congress enacted the Coastal Zone Management Act (CZMA) of 1972, as amended (16 U.S.C. Sections 1451-64). To promote greater coordination and cooperation for meeting this mandate, the lawmakers created a novel federal-state partnership in the CZMA. It provides that once a state develops a coastal management program which satisfies federal standards, the state has a voice in shaping activities otherwise exclusively controlled by the federal government. Federal agencies must conduct their planning, management, development, funding, and regulatory activities in a manner consistent with state coastal management programs approved by the Secretary of Commerce. This is the so-called "federal consistency" process through which Congress has given the states the ability to review and influence federal agency conducted, approved, or funded activities which affect the uses and resources of their coastal zone.

Through the CZMA and federal regulations (15 C.F.R. Part 930), a state's review of federal consistency activities is designed to dovetail with federal decision-making processes. Specific procedures for federal consistency reviews differ according to the type of federal activity involved. Section 1456(c)(3) of the CZMA specifies that any applicant for a federally-permitted

activity which affects land and water uses in the coastal zone must certify that the activity will be conducted in a manner consistent with the applicable state coastal program. Based on the provisions of that program, the designated state management agency may concur with, or object to, the applicant's certification of consistency. The state agency may also object if the information contained in the applicant's submittal is incomplete. (Other forms the federal consistency process may take include reviews of activities to be conducted by a federal agency and proposals for federal financial assistance.)

The majority of the individual Compendium reports contained in this document involve federally-permitted OCS activities subject to consistency review under Section 1456(c)(3)(B). The information summarized for each project is based primarily on the Commission's formally adopted findings and information included in those findings. Each Compendium report includes a summary of issues raised by the particular project and the basis for the Commission's decision with respect to the relevant policies of the California Coastal Management Program (CCMP). The California Coastal Act of 1976, as amended (Div. 20, Cal. Pub. Resources Code) is the cornerstone of the CCMP, which was approved by NOAA in 1977. That approval resulted, as noted above, in the establishment of the State's federal consistency review authority.

The Federal Consistency Compendium Project

This Compendium is the result of work on the first two phases of a longer-term project aimed at creating a comprehensive summary of California's federal consistency actions. Phase I included: 1) development of a computerized database system; 2) review and summation of the Commission's federal consistency actions on OCS projects and associated onshore facilities during the past five years; 3) compilation of the individual project summaries into a draft OCS Compendium document; and 4) initiation of work on project summaries for non-OCS federal consistency decisions. Phase II included: 1) holding a public hearing on the draft OCS Compendium; 2) responding to public comments and finalizing the Compendium document; 3) completing data collection on non-OCS federal consistency activities; and 4) compiling a draft Compendium on the Commission's federal consistency actions involving non-OCS activities [a separate document from this OCS Compendium]. If continued grant funding from OCRM is available, an additional phase would involve holding public hearings on the non-OCS compendium compilation. Future phases may involve expanding these Compendium documents to cover California's 12 years of consistency review.

Phases I and II are now complete, and interested parties may now gain access to four different information levels related to the Commission's review of federal consistency documents. Each level of information provides successively greater detail, as follows:

(1) Computer Database

Information entered into the Coastal Commission's computer database system may be retrieved and sorted by topic area, as discussed below.

(2) The Compendium

This document (attached) provides a written summary report of each energy or energy-related project reviewed by the Commission during the past five years under the consistency process (and, in a few instances, under the coastal development permit and/or appeal process).

(3) The Commission's Adopted Findings

More detailed information on each project decision is contained in written findings adopted by the Commission that are available for review upon request at the Commission's San Francisco office. Each Compendium report cites the applicable findings, giving the correct title appearing on the document and the date of the report.

(4) Project Files

Project files retained by the Commission contain the project proposals and environmental reports submitted by the applicants, correspondence between the Commission staff, the applicants, federal, state, and local agencies, and interested members of the public, staff recommendations and findings submitted to and adopted by the Commission, and other relevant information used by the Commission. Public documents contained in those files may be reviewed on an appointment basis. These files are identified by the consistency certification number given at the top of each project report in the Compendium.

Using the Database System

The Commission staff has developed an interim database for federal consistency projects. In addition, the staff is in the process of developing a permanent, agency-wide database for all federal consistency, permit and appeal projects. As of this date, the two databases have not been integrated. Currently, if researchers or other interested persons wish to receive data generated by the interim database, they will need to submit requests to Mark Delaplaine or Jim Raives of the Coastal Commission's staff at 631 Howard St., 4th Floor, San Francisco, CA 94105.

The interim database allows sorting of data by the following categories (Note: a hypothetical example follows each category):

Category

Consistency Certification No.
Applicant Name
County
Federal Agency
File Date
Project Type
Commission Action

Example

CC-16-84 Chevron Santa Barbara Minerals Management Service 06/28/84 OCS Energy Concurrence Action Date OCS Parcel No. Lease Sale No. Offshore Unit (MMS) 10/10/84 OCS-P 0450 68 Gato Canyon Unit

The database also allows sorting by issue topic. Since this database was developed for both OCS/Energy and non-OCS projects, it spans the entire realm of Coastal Act policy issues, some of which have not arisen in OCS energy projects. The issue topics are those issues covered in Chapter 3 of the Coastal Act, as follows:

Public Access, Lower-Cost Recreation, Boating, Water Oriented Recreation, Coastal Waters, Streams, Wetlands, Estuaries, Sand Supply, Commercial Shoreline Structures. Groundwater. Stream Alteration, Diking/Dredging/Filling (of wetlands and other coastal Environmentally Sensitive Habitat Areas, Water Quality, Oil/Hazardous Spills, Environmentally Sensitive Habitat Areas, Sand Dunes, Agriculture, Timberlands, Concentration of Development, Visual, Geologic Hazards, Special Communities, Public Works, Air Quality, Coastal Dependent Industry, Energy, Consolidation, and Vessel Traffic Safety.

An example of how the database could be used is to pose a hypothetical research question. For example, if a researcher wanted to know all the OCS projects between 1984 and 1986, offshore of Santa Barbara County, from Lease Sale 68 leases, where commercial fishing and oil spills were issues raised, the database could generate a list of the relevant cases by Consistency Certification number. For outside users, the next step would be for the researcher to consult this compendium, and if he or she wanted more information, the Commission's findings should be requested for that case. For internal users, an additional step would be available, which would be that a summary screen of the case, identical to the summary contained in the attached written Compendium for that case, would appear on the data screen.

Because this system is not available in database form at this time to outside users, and since most of the issues involved in OCS oil and gas drilling cases remain relatively constant from case to case, we have provided an Issue Index at the end of this written Compendium. Thus, on page 308 you will find Appendix D, an Issue Index which lists the page numbers in the Compendium (and also the applicable consistency certification numbers) for the predominant issues raised in OCS oil and gas cases. These issues are as follows:

Air Quality
Archaeology
Commercial Fishing
Consolidation
Geologic Hazards
Marine Resources
Public Access

Oil Transportation
Oil Spills
Vessel Traffic Safety
Visual and Recreation
Water Quality/Drilling Muds
Onshore Resources

If you would like any further information from or about the database, please contact Mark Delaplaine or Jim Raives at (415) 543-8555.

Content of the Project Summaries

Each Compendium project report begins with a summary of the decision record and is followed by a brief description of the project, the action taken by the Commission, and the issues involved in the review. The balance of each Compendium report consists of a summary, by issue area, of the mitigation measures initially proposed by the applicant, any mitigation measures included during the consistency review process, and an explanation of the basis for the Commission's findings on the compliance of the project with the Coastal Act.

Where applicable, an additional section describes other Commission actions related to the project. For example, such sections discuss the Commission's decisions on related onshore coastal development permits or on earlier or subsequent versions of the project proposal. At the end of each summary, the staff report constituting the findings from which the information was derived is referenced.

It should be noted that the Compendium reports consist of summaries prepared by staff to the Commission. The Commission's findings themselves are the official record of the Commission's decision. In contrast, the Compendium reports have no legal status and can not in any way be viewed as a substitute for the Commission's formally adopted findings. Additionally, the project descriptions are abbreviated and are derived primarily from Commission findings. A full and definitive description of the project, as well as all mitigation measures included in the project, can be obtained only by reference to the applicant's submittal and the findings adopted by the Commission.

Federal Consistency Review of OCS Activities in California

Those activities subject to federal consistency review under Section 1456(c)(3)(B) of the CZMA include the exploration, development, or production of oil or gas from any area which has been leased under the OCS Lands Act (43 U.S.C. Section 1331 et seq.), as well as related federally licensed or permitted activities. The details of the review process generally described here appear in Sections 930.90-930.134 of the federal consistency regulations.

The Commission's review of an OCS activity begins with receipt of the OCS plan, consistency certification, and adequate supporting information relevant to a project proposal awaiting approvals from the Department of the Interior and other federal agencies. The submittal to the Commission must include, among other information, an assessment of the project's probable effects on the coastal zone and an explanation of how the proposed activity, its associated facilities, and their effects are consistent with California's coastal program. No federal license or permit activity described in the OCS Plan is to be approved by a federal agency unless the project is found by the Commission to be consistent with the CCMP or unless an alternative decision is rendered through the appeal process (discussed in the next section).

Once the Commission has received a consistency certification and adequate supporting information, it must give public notice and hold at least one public hearing on the proposed project. Within three months, the Commission must act or notify the applicant, the Assistant Administrator of NOAA, the Department of Interior, and any other involved federal agencies of the status of its review. The basis for any further delay must also be explained. A final decision must be reached within six months. Unless the Commission objects to the proposal within that period of time, concurrence is presumed.

While reviewing an offshore oil and gas consistency certification, the Commission regularly consults and coordinates with a number of federal, state, and local agencies. In general, the agencies consulted are:

<u>Federal</u>: Minerals Management Service, Environmental Protection Agency, U.S. Fish and Wildlife Service, U.S. Coast Guard, and National Marine Fisheries Service:

<u>State</u>: Air Resources Board, State Lands Commission, State Water Resources Control Board, Secretary of Environmental Affairs, Division of Oil and Gas, Resources Agency, Department of Fish and Game, Office of Planning and Research, and Department of Health Services;

Regional or Local Agencies: Regional or County Air Pollution Control Districts, Regional Water Quality Control Boards, County Boards of Supervisors, and City Councils.

In reviewing OCS consistency certifications, through staff consultation and the Commission's public hearing process, the Commission considers comments and recommendations of these federal, state and local/regional agencies, as well as comments by any other agencies, groups, or private individuals, prior to taking final action on a consistency certification.

In order to concur with a consistency certification, the Commission must find the project's activities which affect the coastal zone consistent with the CCMP. The Commission's review is focused on the policies set forth in Chapter 3 of the Coastal Act. Chapter 3 is divided into six sections, (access, recreation, marine resources, land resources, development, and industrial development), and is included in its entirety in Appendix C. The CCMP also includes a Local Coastal Program (LCP) element calling for the preparation of local plans implementing the state policies. After such plans are prepared and found acceptable by the Commission, they are submitted to OCRM for review and, upon approval, become part of the CCMP. Once incorporated into the CCMP, LCPs serve to guide and advise the Commission in making federal consistency decisions, but do not comprise a binding standard of review. (When a project requiring a coastal development permit is located in an area where the Commission has certified a local plan, however, the LCP policies are applied in the permit process.)

Most of the projects summarized in this OCS Compendium are offshore oil and gas drilling activities, which are defined as being coastal-dependent under the Coastal Act. The Act's definition of coastal-dependence is "any

development or use which requires a site on, or adjacent to, the sea to be able to function at all." In addition, Section 30001.2 of the Coastal Act specifically states that offshore oil and gas drilling is coastal-dependent.

Under Section 30260 of the Coastal Act, if the Commission finds that the project cannot feasibly be accommodated consistent with the other policies of the Coastal Act, it may nonetheless concur with the proposal if the project is found to be coastal dependent and meets certain requirements. Specifically, Section 30260 provides that such projects:

may nonetheless be permitted in accordance with this section and Sections 30261 and 30262, if:

- alternative locations for the project are infeasible or more environmentally damaging;
- 2) to do otherwise would adversely affect the public welfare; and
- adverse environmental effects are mitigated to the maximum extent feasible.

As shown in the Compendium reports that follow, this section has allowed the Commission to find many projects consistent with the CCMP, in situations where it has found a project's impacts inconsistent with other Coastal Act policies. The full text of Section 30260, along with that of other relevant Coastal Act policies, can be found in Appendix C.

If the Commission finds that activities described in an OCS plan which affect the coastal zone are not consistent with the CCMP, and thereby objects to the consistency certification provided by the applicant, the Commission must describe how the proposed project is inconsistent and what alternative measures (if they exist) would allow the activity to be found consistent with the CCMP. An objection also may be based on insufficient information. Unless the Secretary of Commerce overrides the Commission's decision through the process described below, federal agencies may not issue any approval for an OCS activity described in such OCS plan if the Commission objects to a consistency certification.

Conflict Resolution and Appeals

If issues or conflicts arise during the federal consistency review of a project, the Commission first attempts to resolve any disagreements through informal discussions among the involved parties. OCRM is also available to assist with such discussions. If no resolution is reached and the Commission objects to a consistency certification, the applicant may appeal to the Secretary of Commerce within 30 days of its receipt of the Commission's objection. The Secretary must give public notice of the appeal and accept comments, and may hold a public hearing on the appealed project.

The Secretary may approve the activity to which the state objected if he or she finds that the activity is consistent with the objectives or purposes of the CZMA, or is necessary in the interest of national security. The federal consistency regulations further refine the tests applicable to the Secretary's review (Sections 930.121-2). If the Secretary finds that the proposed activities meet these tests, the Department of the Interior (and/or other applicable federal agencies) may approve the OCS plan and issue the necessary permits.

Rather than appealing, or if the Secretary does not make such findings, the applicant may submit an amended or new OCS plan or other proposal to the appropriate federal agency and the Commission, along with a new consistency certification and supporting information. The Commission will then initiate a new federal consistency review under an adjusted time schedule, under which the Commission's concurrence is presumed if no action is taken within three months instead of six.

In cases which were appealed, this Compendium includes a brief summary of the decision rendered by the Secretary and, when applicable, any related legal action taken by the courts.

II. INDIVIDUAL COMPENDIUM REPORTS

CC-12-82 UNION, POE OCS-P 0203, 2 WELLS FILE DATES: 05/21/82 and 09/23/83, MMS

I. Summary

The Commission objected twice, once in 1982 and again in 1983, to Union's POE for two exploratory wells on OCS-P 0203 in the Hueneme Field, approximately five nautical miles northeast of Anacapa Island. The proposed drill site was in the buffer zone of the northbound traffic lane of the Vessel Traffic Separation Scheme and within the boundary of the Channel Islands National Marine Sanctuary. The Commission objected to the proposal on November 17, 1982, because of the risks of both vessel collision due to the drill site's location in the buffer zone and harm from potential oil spills to the endangered California Brown Pelican, whose largest breeding population in the United States is located on Anacapa Island. The Commission also found that Union's oil spill contingency plan was incomplete concerning oil spill trajectories and the use of chemical dispersants.

Union appealed the Commission's objection to the Secretary of Commerce, but then withdrew this appeal and submitted an amended POE to the Commission. This amended POE contained a number of additional mitigation measures, as discussed below. The Commission again objected on November 15, 1983, because of the still unacceptable risks of vessel collisions and oil spills, and the need to protect the environmental sensitivity of the Channel Islands and its offshore waters, commercial fishing, and navigational safety.

Union again appealed the Commission's decision to the Secretary of Commerce, which overrode the Commission's objection.

II. Compendium

- 1. <u>Project Description</u>. POE. Two exploratory wells on OCS-P 0203 in the Hueneme Field, approximately five nautical miles northeast of Anacapa Island, in the eastern Santa Barbara Channel, within the buffer zone of the northbound traffic lane of the Vessel Traffic Separation Scheme, and within the boundary of Channel Islands Marine Sanctuary. Drillship: Diamond M General. Water depth: 804 ft. Lease Sale P4.
- 2. <u>Commission Action and Date</u>. Objection, November 17, 1982. Objection to amended POE, November 15, 1983.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>

A. Marine Resources.

Project Modifications Made During the First Consistency Review: None.

Project Modifications Included in the Second Submittal:

- (1) Agreement to only develop the potential oil field from a platform located outside the boundary of the Channel Islands Marine Sanctuary;
- (2) Drill between the months of November and January, the period of least vulnerability of the Brown Pelican.

Basis: In 1977 the Commission determined that the Channel Islands ranked among the top two potential sanctuary sites in California because it possessed all the necessary criteria for federal protection as a Marine Sanctuary under the Marine Sanctuaries Act of 1972. In 1980, the Islands and their surrounding waters were designated as a marine sanctuary. In addition, California has designated the area both an Ecological Preserve and and Area of Special Biological Significance. The Channel Islands are sufficiently isolated from the mainland and from one another to permit the development of numerous endemic populations of marine flora and fauna. This isolation also provides a refuge for over 80 species of resident and migrant seabirds, including the endangered Brown Pelican, as well as breeding and pupping areas for five species of seals and sea lions.

While the Presidential approval of the Channel Islands Sanctuary in September of 1980 prohibited <u>new</u> oil and gas leases within its boundaries, Union's pre-existing lease, among others, was not subject to this prohibition.

In its first review, the Commission found the project inconsistent with Section 30230, which addresses marine resources, Section 30240, which addresses environmentally sensitive habitats, and Section 30250, which addresses cumulative impacts. The Commission was extremely concerned over impacts to the Brown Pelican, which is classified as endangered by the U.S. Fish and Wildlife Service, and whose only stable breeding ground in the United States is Anacapa Island. Moreover, the brown pelicans are especially vulnerable to oil as they may plunge through oil slicks when feeding and are not as likely to avoid oil as certain other birds do. The Commission found, therefore, that the project placed undue risk on the Brown Pelican population and was inconsistent with Section 30230.

The Commission also found that Union's POE and its associated risks would not be compatible with the continuance of the Sanctuary's sensitive habitats and that it could, in fact, degrade them. The Commission found, therefore, that the project was inconsistent with Section 30240. Finally, the Commission found the project inconsistent with Section 30250 because the proliferation of oil activities in the area would further stress the adaptability of species whose livelihoods depended on the islands and surrounding waters.

The Commission also found the project inconsistent with the public welfare provisions of Section 30260(2) of the Coastal Act, because of the need to protect the environmental sensitivity of the Channel Islands and its offshore waters, commercial fishing, and navigational safety. The Commission found that the benefits from this one project did not outweigh these other major public interest factors. Finally, the Commission found it had insufficient information on Union's oil spill contingency plan (see below).

In the Commission's second review, Union provided the above additional measures to better protect the sanctuary resources. Even with these measures,

the Commission found the project inconsistent with Sections 30230, 30240, and 30250. Unacceptable risk to the Brown Pelican was again the major concern. Under Section 30260, the Commission found that while the project as modified to restrict drilling to the winter months and to include a complete spill contingency plan did provide maximum feasible mitigation (30260(3)), in fact no mitigation at this particular site would be sufficient to meet the public welfare test of Section 30260(2).

B. Vessel Traffic Safety.

Mitigation in Project As Submitted:

- (1) Anchors and outlying equipment will be submerged at least 100 feet from water surface when such equipment lies off the boundary or within the traffic lane:
- (2) Drill rig will be capable of transmitting and receiving on VHF channel 16 twenty-four hours a day;
 - (3) Use of twenty-four hour radar;
- (4) Operator will be capable of plotting closest points of approaches (CPA's), identifying approaching vessels, and contacting a vessel which appears to be too close;
- (5) Setting out of equipment shall only occur during daylight hours and when visibility is greater than three miles; and
- (6) Vessel will be properly lighted at night and at times of restricted visibility and have adequate sound signals, as well as be fitted with a searchlight.

Project Modifications Made During the First Consistency Review Process: None.

Project Modifications Included in the Second Submittal:

- (1) Conduct a Vessel Traffic Safety Study similar to the California Maritime Academy (CMA) study conducted in conjunction with Chevron's drilling of OCS P-0205; and
- (2) Equip the drillship with any additional safety features that may be recommended by the Union or CMA-Chevron study.

Basis: Section 30262(d) of the Coastal Act addresses vessel traffic safety. Section 30250 addresses cumulative impacts. The Commission had historically expressed great concern over drilling within the buffer zone of the Vessel Traffic Separation Scheme (VTSS), both during past case-by-case review, and in its policy statement (July 28, 1982, Adopted Policy Statement, Vessel Traffic Safety). The proposed project was located within this buffer zone, and therefore raised the same increased risk of vessel collision (and therefore oil spills) as had been addressed in the policy statement and raised in previous Commission actions. In its first review of this project the Commission found the project inconsistent with Section 30262 because the proposed location was with the buffer zone and less than half a mile northwest

of a dog leg in the VTSS. (During review of a nearby Chevron POE (on OCS-P 0205) the Commission had found that a minimum distance of three miles was necessary as a margin of safety at the dog leg.) In addition, the Commission found the project inconsistent with Section 30250 due to the cumulative effects of oil activities in the area on vessel traffic safety. Moreover, analyzing the project under Section 30260 the Commission found that the mitigation provided by Union which was approved in the Chevron project, was not the maximum feasible due to this closer location to the dog leg. Further, when the project's hazardous location was considered in conjunction with the risks associated with potential spills, the Commission found that the project would not be consistent with the public welfare. The Commission therefore found the project inconsistent with Section 30260.

In its second review, the Commission again found that the location of Union's proposed well posed an unacceptable risk to vessel traffic because, unlike the Chevron drill site, its placement on the southern side of the northbound VTSS lane necessitated cross traffic. The Commission found, therefore, that the proposal was inconsistent with Section 30262 and Section 30250. The Commission also found that while Union's commitment to provide the above mitigation provided maximum feasible mitigation, the project did not meet the public welfare test of Section 30260(2). The Commission found that the risks of vessel collision were unacceptable, particularly when considered in conjunction with the extreme sensitivity of the Sanctuary environment and the inability to adequately mitigate potential oil spills.

C. Drilling Muds/Water Quality.

Project Modifications Made during the First Consistency Review Process: None.

Project Modifications Included in the Second Submittal:

(1) Rely on the Commission's judgment concerning the disposal of drill muds and cuttings, including, if deemed necessary, barging to land disposal.

Prior to August, 1983, the Commission did not generally review the disposal of drilling muds and cuttings which were more than 1000 meters from the coastal zone. This policy was established by the Commission in October, 1981, although in its comments to the Environmental Protection Agency (EPA) the Commission stated it reserved the right to re-examine the issue. The Commission continued to reevaluate the disposal of drill muds out of concern for possible cumulative impacts and on August 26, 1983, the Commission exerted its consistency review authority on drilling muds on a POE beyond 1000 meters for the first time in its review of CC-5-83, for the following reasons: (1) new information on drill mud toxicity had become available; (2) the Department of Fish and Game noted the lack of conclusive information about long-term widespread effects (J. Steele, 1983) and recommended that until definitive information was available that muds and cuttings in State waters should be barged ashore for land disposal; (3) discharges on the OCS could affect marine resources of the coastal zone because many invertebrates and fish species spend some parts of their life cycles both nearshore and on the OCS: and (4) concerns were being raised about short and long-term effects on commercially recoverable fish (see CC-5-83).

Union's initial POE was submitted prior to this reevaluation. Thus, the disposal of drill muds and cuttings was not reviewed. The amended POE, however, was submitted after the reevalution of drilling muds disposal had begun. As with other POEs evaluated after August 1983, the Commission expressed concern over the lack of information about cumulative impacts. Moreover, based on the findings above, and on a review of the literature, the Commission found that drill muds and cuttings may be either toxic or have deleterious sublethal effects on marine organisms. The Commission found, therefore, that Union's POE was inconsistent with Sections 30230 and 30231, which address marine resources. The Commission also found that the project was inconsistent with Section 30250, which addresses cumulative impacts. Under Section 30260, however, the Commission found that the project, as modified above, provided maximum feasible mitigation and was therefore consistent with Section 30260(3).

D. Air Quality.

Project Modifications Made During the First Consistency Review Process:

- (1) Implement injection timing retard; and
- (2) Install measuring equipment for gathering data on fuel consumption, wind, wind speed, direction, and temperature, relevant to NOx emissions and transport.

Project Modifications Made During the Second Consistency Review Process: None.

Basis: Section 30253(3) of the Coastal Act addresses air quality. Section 30250 addresses cumulative impacts. From January 6, 1982 to August 31, 1982, the Commission had a policy limiting oil company applicants for consistency review to one well per month during the course of a study on measures to reduce nitrogen oxides emissions from drilling operations. Upon completion, the study identified the two methods above for addressing NOx emissions. The Commission also passed a resolution ending the one well per company per month limitation as of August 31, 1983, when the NOx reduction study was completed. In this case, the Commission found that NOx emissions from OCS drilling activities would have a significant adverse effect on onshore air quality. The Commission found, in both reviews, that the proposal was consistent with Section 30253 because the applicant agreed to implement control measures and collect data.

E. Oil Spills

Mitigation in Project as Submitted:

- (1) 1500 feet of containment boom;
- (2) One oil skimming device capable of open ocean use;
- (3) Bales of oil sorbent material;
- (4) On site boat for deployment of the boom;

- (5) Oil storage capacity of 29 barrels minimum for recovered oil;
- (6) Participation in Oil Spill Cooperative which has dedicated Oil Spill Response Vessels -- Mr. Clean of Clean Seas;
 - (7) Training of Supervisors, Personnel, and Workers in oil spill response.

Project Modifications Made During the First Consistency Review Process: None.

Project Modifications Included in the Second Submittal:

- Development of chemical dispersant techniques in conjunction with the Regional Response Team;
- (2) Develop a toxicity testing procedure to help determine the hazards of chemical dispersant use in the event that the project were approved.

<u>Basis</u>: Section 30232 of the Coastal Act addresses oil spills. Section 30250 addresses cumulative impacts. In its first review the Commission found that Union's POE was inconsistent with Sections 30232, 30250 and 30260, because Union had not provided a complete oil spill contingency plan. In particular, Union had not included data concerning oil spill trajectories or the use of chemical dispersants.

During the second review process Union agreed to develop chemical dispersant techniques in order to address potential oil spills, because Union's proposed well was located in a recognized area of biological significance for Brown Pelican breeding. Additionally, it agreed to develop a toxicity testing procedure for dispersant use if the project was approved. The Commission found that Union's resubmitted oil spill contingency plan was complete as it included the necessary data to evaluate spill trajectories. The Commission nevertheless found that the mitigation provided by Union could not be considered adequate to protect the environmentally sensitive resources in the Marine Sanctuary from the risks of a large oil spill, risks that were magnified due to the drilling site's location in the buffer zone of the VTSS. The Commission found, therefore, that the project was inconsistent with Section 30232, as well as with Section 30250 due to cumulative impacts. Moreover, although the Commission found that Union had provided maximum feasible mitigation, the Commission found that the project was inconsistent with the public welfare, particularly when considered in conjunction with the extreme sensitivity of the Sanctuary environment and the inability to adequately mitigate potential oil spills, and that the project was therefore inconsistent with the second test of Section 30260.

Other Issues.

A. <u>Commercial Fishing</u>. Sections 30230 and 30231 address commercial fishing. Section 30250 addresses cumulative impacts. Lease P 0203 is within a trawling and purse-seining fishing area where spot prawns and anchovies are the primary species fished. The Commission found the initial POE inconsistent with these sections because exploratory drilling would conflict with and displace commercial fishing activities. In its second review, the Commission found that Union's agreement to drill during the winter (mitigation provided for protection of the Brown Pelican) reduced the impacts on commercial

fishing. The Commission found, therefore, that the amended POE was consistent with Sections 30230 and 30231, but inconsistent with Section 30250 due to cumulative impacts on commercial fishing. Under Section 30260, as stated above, the Commission found the project inconsistent with Section 30260(2) due to public welfare considerations.

Department of Fish and Game Fish Blocks: 683 and 684.

- B. <u>Public Access</u>. Sections 30220, 30221, and 30251 address public access, recreation, and visual resources. Although drillships on lease P 0203 would be visible to boaters seeking access to Anacapa Island, the Commission found that the project would not have any long-term adverse impact because the drilling was a temporary activity, lasting a maximum of two and one half months The Commission therefore found that the project was consistent with these sections.
- 5. Appeal to the Secretary of Commerce. In order to approve a project to which the Commission objected, the Secretary of Commerce must find either that the activity satisfies four elements of consistency with the Coastal Zone Management Act (CZMA) or that it is necessary in the interest of national security. The Secretary approved the POE on appeal on November 9, 1984, finding that its POE was consistent with the CZMA, although not necessary in the interest of national security. Specifically, the Secretary found that: (1) the project would contribute to the national interest of attaining energy self-sufficiency and thereby furthered one or more of the competing national objectives of the CZMA; (2) the adverse effects of the project on the coastal zone were not substantial enough to outweigh this contribution to this national interest; (3) the project would not violate any requirements of the Clean Air or Clean Water Acts; and (4) there were no reasonable alternatives available to Union which would enable the project to be carried out in a manner consistent with California's coastal management plan.
- 6. For More Information, Refer To: Revised Findings (hearing date 11/15/83) for second Commission objection; Staff Recommendation (hearing date 11/17/82) for first Commission objection; Secretary of Commerce Decision and Findings, November 9, 1984.

CC-5-83 - EXXON/SUN, POE OCS-P 0231 & 0467, 1-13 WELLS FILE DATES: 02/14/83, 11/30/83 and 09/04/84, MMS

I. Summary

This POE involved up to 13 wells on OCS parcels 0467 and 0231, approximately 5 miles southwest of Santa Barbara, in the Santa Barbara Channel. Commission took actions on various aspects of the proposal on five separate occasions, all of which are reviewed here. The main issue throughout was the conflict between the proposed exploratory drilling and commercial thresher The Commission objected to CC-5-83 primarily on the grounds shark fishing. that Sun and Exxon had not provided the maximum feasible mitigation available. namely, limiting drilling to the fishing "window" of January to April when thresher shark fishing is at a minimum (CC-5-83, 7/27/83 (Revised Findings adopted 8/26/83)). The Commission subsequently concurred with Exxon's amended proposal to drill well A on OCS-P 0467 because drilling would occur during the preferred window (see, CC-5-83-A, 12/15/83). The Commission objected again, however, to wells B and C of Exxon's amended POE because Exxon would not implement the maximum feasible mitigation of drilling during the window for these wells (CC-5-83-A, 2/8/84). Exxon appealed this objection to the Secretary of Commerce who found that drilling during the thresher shark "window" was a reasonable alternative to Exxon's proposed plan, which would permit the project to be carried out with limited adverse effects to commercial fishing. The Secretary therefore upheld the Commission's objection for wells B and C. Finally, the Commission concurred with Sun's amended proposal to drill well G on OCS-P 0467 (CC-5-83-A-2, 11/13/84) and the remaining 9 wells on parcel 0467 (CC-5-83-A-2, 11/28/84) after Sun had provided a number of mitigation measures, including the commitment to drill during the fishing "window" (i.e., the period when fishing activities are at a minimum).

Exxon challenged the Commission's consistency determination under the Coastal Zone Management Act (CZMA) in Federal court. The District court ruled in favor of Exxon; however on appeal the Court of Appeals for the Ninth circuit determined that the case had already been litigated before the Secretary of Commerce in the appeal of wells B and C, and that Exxon's proper remedy was to seek judicial review of the Secretary's finding (see, Exxon Corp. v. Fischer et al. (1987) 807 F. 2d 842).

II. Compendium

- 1. Project Description. POEs for up to 13 exploratory wells on OCS Parcels 0467 and 0231 in the Santa Barbara Channel, approximately 7.5 miles southwest of Santa Barbara. Exxon's POE was for wells A, B, and C on OCS-P 0467. Sun's POE was for wells D, E, F, G, H, I, and J on OCS-P 0467 and wells A, B, and C on OCS-P 0231. Drillship: Glomar Pacific and Penrod 73. Water depth: 558-967 ft. Lease Sale: 0467 68; 0231 P4.
- 2. <u>Commission Actions and Dates</u>. Objection, July 27, 1983, Exxon/Sun, 13 wells, 0467 and 0231 (Revised Findings adopted August 26, 1983), and August 26, 1983 (Revised Findings). Concurrence with amended POE for well A, OCS-P 0467 (Exxon), December 15, 1983; Objection to amended POE for wells B and C, OCS-P 0467 (Exxon), February 8, 1984. Concurrence with second amended POE.

well G, OCS-P 0467 (Sun), November 13, 1984. Concurrence with second amended POE, wells A, B, and C, OCS-P 0231, and wells D, E, F, H, I, and J OCS-P 0467, November 28, 1984.3. CC-5-83--Exxon/Sun. Initial Hearing, 7/27/83. Revised Findings, adopted 8/26/83.

3. CC-5-83 Exxon Sun

<u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>

A. <u>Commercial Fishing</u>.

Project Modifications Made During the Consistency Review Process:

- (1) Sun proposed a measure to confer with fishermen to develop the most compatible practical configuration of orienting the drill rig.
 - (2) Exxon and Sun proposed to minimize night time vessel traffic.
- (3) Exxon and Sun proposed to move the anchor buoys up the anchor lines closer to the drill rigs.

Basis: Sections 30230, 30231, and 30234 address commercial fishing. Section 30250 addresses cumulative impacts. The proposal of Sun and Exxon would have included exploratory drilling in a prime drift gillnetting area for thresher shark and a significant trawl fishery. A large portion of the fishing area would be lost because drill ships and their anchors would conflict with drifting gill nets and trawl nets. The Commission found that the mitigation measures above did not address the basic issue of avoiding drilling within significant fishing grounds during the fishing season. The Commission further found: (1) that limiting drilling from December through April was reasonable, since it allowed use of the areas by both the fishing and oil and gas industries; (2) that Sun and Exxon should commit to the use of no more than two rigs, simultaneously, and that they should be widely spaced so that they would not significantly interfere with trawling operations; (3) that the trawlers should be adequately notified of the exact location of the rigs, anchors and anchor lines; and (4) that the trawlers should be notified of the spud dates for each well. These measures were not provided, and the Commission found, therefore, that the proposal would adversely affect commercial fishing and was inconsistent with Sections 30230, 30231, 30234, and 30250 of the Coastal Act. Because these feasible mitigation measures were available, and because it found that an objection to this proposal would not adversely affect the public welfare, the Commission found the project inconsistent with Section 30260(2) and (3).

Department of Fish and Game Fish Block: 667

B. Air Quality.

Project Modifications Made During the Consistency Review Process:

(1) Implement interim NOx control measures identified by the Air Resources Board, including installation of measuring equipment for gathering data on fuel consumption, wind, wind speed, direction, and temperature, for air quality analysis and injection timing retardance on the drillship.

<u>Basis:</u> Section 30253(3) of the Coastal Act addresses air quality. Section 30250 addresses cumulative impacts. From January 6, 1982 to August 31, 1982, the Commission had established a policy limiting oil company applicants for consistency review to one well per month during the course of a study on measures to reduce nitrogen oxides emissions from drilling operations. Upon completion, the study identified the above two methods for addressing NOx emissions. The Commission also passed a resolution ending the one well per company per month limitation as of August 31, 1983, when the NOx reduction study was completed. In this case, the Commission found that NOx emissions from OCS drilling activities would have a significant adverse effect on onshore air quality, but noted that the applicant would be providing provided the above mitigation measures. However, without explanation, and in what would appear to be an oversight, no conclusory findings were made with respect to air quality.

C. Vessel Traffic Safety.

Project Modifications Made During the Consistency Review Process:

(1) Install and operate an automatic radar plotting device.

<u>Basis</u>: Sections 30260 and 30262 address vessel traffic safety. The proposed drilling was located in the Santa Barbara Channel 1.6 miles from the existing Vessel Traffic Separation Scheme (VTSS). The Commission found that the presence of temporary structures would present a hazard to navigation and pose a risk of oil spills because there is substantial vessel traffic along the coast, the weather is foggy or stormy several months of the year, and because the use of the VTSS lanes is voluntary. The Commission did find, however, that the modification above provided maximum feasible mitigation and that the project was consistent with Section 30260.

D. Oil Spills.

Mitigation in Project as Submitted.

- 1500 feet of containment boom;
- (2) One oil skimming device capable of open ocean use;;
- (3) Bales of oil sorbent material:
- (4) On site boat for deployment of the boom;
- (5) Oil storage capacity of 29 barrels minimum for recovered oil;
- (6) Participation in Oil Spill Cooperative which has dedicated Oil Spill Response Vessels -- Mr. Clean of Clean Seas;
 - (7) Training of Supervisors, Personnel, and Workers in oil spill response;

Project Modifications Made During the Consistency Review Process:

Conduct onshore oil spill response drills;

<u>Basis</u>: Section 30232 of the Coastal Act addresses oil spills. Exxon and Sun had provided onsite equipment and personnel training and had worked with oil spill cooperatives which have dedicated oil spill response vessels. In addition, Exxon and Sun had entered into an agreement with the Minerals Management Service (MMS) which allowed the State Coordinator to accompany MMS inspectors during surprise inspections to check the availability of oil spill containment equipment and deployment capabilities. Because of the risk of oil spills, and limited capability of state of the art oil spill equipment, the Commission found that the POE was inconsistent with Section 30232.

Other Issues.

- A. <u>Marine Resources</u>. Section 30230 addresses marine resources. The subject leases are located three miles north of the federal marine sanctuary around the Channel Islands. Approximately 84% of the total population of pinnipeds in the southern California Bight are located in the Channel Islands area. The migratory route of the grey whale and other species of whale and dolphin passes in the vicinity of the leases. The Commission found that in the event of an oil spill there could be an adverse impact on the marine mammals, and that even the best available spill containment and cleanup equipment could not offer adequate protection. The Commission found, therefore, that the proposal was inconsistent with Section 30230.
- B. <u>Geological Hazards</u>. Section 30253 addresses geological hazards. The Commission found that the proposed drilling sites minimized geological risks and that the proposal was consistent with Section 30253.
- C. Drilling Muds/Water Quality. Prior to August, 1983, the Commission did not generally review the disposal of drilling muds and cuttings which were more than 1000 meters from the coastal zone. This policy was established by the Commission in October, 1981, although in its comments to the Environmental Protection Agency (EPA) the Commission stated that it reserved the right to re-examine the issue. The Commission continued to reevaluate the disposal of drill muds out of concern for possible cumulative impacts and on August 26, 1983, the Commission exerted its consistency review authority on drilling muds on a POE beyond 1000 meters for the first time in its review of CC-5-83, for the following reasons: (1) new information on drill mud toxicity had become available; (2) the Department of Fish and Game noted the lack of conclusive information about long-term widespread effects (see, J. Steele, 1983) and recommended that until definitive information was available that muds and cuttings in State waters should be barged ashore for land disposal; (3) discharges on the OCS could affect marine resources of the coastal zone because many invertebrates and fish species spend some parts of their life cycles both nearshore and on the OCS; and (4) concerns were being raised about short and long-term effects on commercially recoverable fish.

Due to these concerns, the Commission found that drill muds and cuttings may be either toxic or have deleterious sublethal effects on marine organisms. Because of conflicting conclusions and insufficient scientific data at that time, the Commission found it did not object to the drilling of the wells, but reserved the right to raise and object on this issue in any review of a future production plan submitted and/or in its review of future NPDES permits. No specific Coastal Act finding was made, although under Section 30250 a concern was noted over chronic effects, effects on reproductivity, heavy metal buildup in the food chain, and changes in species abundance and distribution.

4. <u>CC-5-83-A--Exxon</u>, Well A. Hearing 12/15/83.

Issues Addressed.

A. Commercial Fishing.

Mitigation Submitted in Amended Plan:

- (1) Commence operations by the first week of January and barring unforeseen circumstances, complete the testing of well A prior to the beginning of the thresher shark fishing season. If the drillship is on location during any part of the thresher shark season, Exxon will provide a 24-hour radio monitoring service which will remain in constant communication with fishing traffic to coordinate their movement;
- (2) Remove anchor buoys to reduce the area of potential fishing conflict to that of a jack-up rig;
 - (3) Keep supply boat traffic to a minimum during nighttime fishing period;
 - (4) Route supply boats to minimize interference with fishing operations;
- (5) Coordinate operations with other operators for a maximum of two, widely-separated rigs in the area at any one time; and
- (6) Notify fishing interests of well spud date, and the location of the rig, anchors, and anchor lines.
- <u>Basis</u>: The mitigation measures submitted with Exxon's amended plan met the concerns that the Commission expressed in its previous objection to CC-5-83. The Commission found, however, that the drilling of well A would still significantly impact trawling and gillnetting operations because drilling would occur during January, the last month of the thresher shark season and possibly into the new season beginning in May, and because trawling occurs year round. The Commission found, therefore, that the project was inconsistent with Sections 30230, 30231, and 30250. The Commission did find, however, that these impacts were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260 of the Coastal Act.
- B. Marine Resources/Oil Spills. As with the original POE, the Commission found the project inconsistent with Sections 30230 and 30232 because of inadequate protection of marine resources from a potential oil spill. The Commission found, however, that Exxon's provision of the best available oil spill containment and clean-up equipment provided maximum feasible mitigation and that the project was therefore consistent with Section 30260 (see, above, #3, Oil Spills).
- C. <u>Geologic Hazards</u>. The Commission found the project consistent with Section 30253 and 30262 of the Coastal Act (see, above, #3, Geology).
- D. <u>Air Quality</u>. The Commission found the project inconsistent with Section 30253 because the interim NOx control measures and information requirements would not fully mitigate air quality impacts in the Coastal Zone. The Commission found, however, that the interim measures provided (see

above, #3, Air Quality) did constitute maximum feasible mitigation, consistent with Section 30260.

- E. <u>Vessel Traffic Safety</u>. The Commission found that the presence of temporary structures would present a hazard to navigation and pose a risk of oil spills because there is substantial vessel traffic along the coast, the weather is foggy or stormy several months of the year, and because the use of the VTSS lanes is voluntary. The Commission found the project consistent with Sections 30260 and 30262, as they pertain to vessel traffic safety, with Exxon's proposed mitigation measures to use an automated audible radar surveillance device.
- 5. C-5-83-A--Exxon, Wells B, and C. Objection, 2/8/84. Exxon's amended POE for wells B and C on OCS-P 0467 provided all of the mitigation measures provided for well A except for the commitment to drill during the thresher shark fishing "window" (measure (1) in #4 (A) above, Commercial Fishing). The Commission found, therefore, that the proposal was inconsistent with Sections 30230, 30231, and 30234, 30250 and 30260(2) and (3) because of adverse impacts to commercial fishing. (see, above, #3, Commercial Fishing). The Commission reiterated its findings for well A concerning the other issues of marine resources, oil spills, air quality, vessel traffic safety, and Section 30260. Exxon subsequently appealed this objection to the Secretary of Commerce (see, below, #7). Hearings 11/13/84 and 11/28/84.

6. CC-5-83-A-2--Sun.

<u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>

A. Commercial Fishing.

Project Modifications Made During the Consistency Review:

- (1) On-contract support vessels will not be moored within the 10 fathom curve, traditionally known as the Hueneme Flats;
- (2) Use the corridors established by the Joint Committee in the Santa Barbara Channel Oil Service Vessel Corridor Program;
 - (3) Limit drilling to the thresher shark fishing "window;"
- (4) If unforeseen circumstances necessitate drilling continuing into the thresher shark fishing season Sun will (1) work closely with fishermen to avoid disruption of fishing activities; (2) provide a boat monitor to coordinate boat traffic in the vicinity of the drill rig; and (3) limit operation of supply vessels at night to an emergency basis;
- (5) If Sun intends to drill wells H or I it will submit a mitigation plan to protect trawling operations to the Commission for its approval prior to spudding either well; and
 - (6) Conduct a fisheries training program for rig personnel.

Basis: In two reviews, November 13 and 28, 1984, the Commission found that Sun's amended proposal to drill the remaining wells on OCS tracts 0467 and

0231 would significantly impact commercial trawling and gillnetting activities, and that the project was inconsistent with Sections 30230, 30231, and 30234, which address commercial fishing, and with Section 30250, which addresses cumulative impacts. The Commission found, however, that the measures above constituted the maximum feasible mitigation and that the proposal was consistent with Section 30260.

B. Drilling Muds/Water Quality.

Project Modifications Made During the Consistency Review Process:

(1) No use of chromium-treated lignosulfonates.

<u>Basis</u>: Based on continuing review of the discharge of drilling muds, the Commission found that cumulative discharges of muds and cuttings potentially threaten marine organisms (see, above, #3, Drilling Muds; also, CC-12-83, CC-27-83). The Commission found, therefore, that the POE was inconsistent with Sections 30230, 30231, which address marine resources, and 30250, which addresses cumulative impacts. However, because Sun committed to avoiding use of chromium-treated lignosulfonates and because Sun's discharge would not be within or immediately adjacent to a biologically sensitive area, and would comply with EPA NPDES permit requirements, the Commission found that the proposal provided the maximum feasible mitigation and was therefore consistent with Section 30260.

C. Air Quality.

Project Modifications Made During the Consistency Review Process:

- (1) Implement 4 degree injection timing retard on the drillship;
- (2) Pipe vapors vented during well testing to a flare system for incineration;
 - (3) Use H₂S scrubbers during well testing; and
- (4) Install measuring equipment for gathering data on fuel consumption, wind, wind speed, direction, and temperature, for air quality analysis.

<u>Basis:</u> Section 30253(3) of the Coastal Act addresses air quality. Section 30250 addresses cumulative impacts. As with the original POE, the Commission found that NOx emissions from the proposed drilling activities would have a significant adverse effect on onshore air quality. The Commission found, therefore, that the project was inconsistent with Section 30253. The Commission did find, however, that the above measures constituted maximum feasible mitigation and that the POE was consistent with Section 30260 of the Coastal Act (see, above, #3, Air Quality).

D. <u>Vessel Traffic Safety</u>.

Project Modifications Made During the Consistency Review Process:

(1) Install and operate an automatic radar plotting device.

<u>Basis</u>: Vessel traffic concerns are discussed above (see above, #3, Vessel Traffic). As with the original POE, the Commission found that the proposal to drill the remaining wells was inconsistent with Section 30262. The Commission found that with the modification above, the applicant had mitigated navigational safety problems and the project was consistent with Sections 30262 and 30260.

Other Issues.

- A. <u>Marine Resources</u>. As with the original POE, the Commission found the project inconsistent with Sections 30230 and 30232 because of inadequate protection of marine resources from a potential oil spill. The Commission found, however, that Exxon's provision of the best available oil spill containment and clean-up equipment was the maximum feasible mitigation and that the project was therefore consistent with Section 30260.
- B. <u>Geologic Hazards</u>. The Commission found the project consistent with Section 30253 and 30262 of the Coastal Act (see, above, #3, Geologic Hazards).
- C. <u>Oil Spills</u>. As with the original POE, the Commission found that the POE was inconsistent with Section 30232 notwithstanding the mitigation provided by Sun, because of the limited capability of state-of-the-art oil spill equipment. The Commission found, however, that the measures above provided the maximum feasible mitigation and that the project was consistent with Section 30260.
- 7. Appeal to the Secretary of Commerce. Exxon appealed the Commission's objection to wells B and C on OCS-P 0467 to the Secretary of Commerce who found that drilling during the thresher shark "window" was a reasonable alternative to Exxon's proposed plan; the Secretary found that this alternative would permit the project to be carried out with limited adverse effects to commercial fishing. The Secretary found, therefore, that Exxon's amended plan for wells B and C could not be federally approved, thereby upholding the Commission's objection.
- 8. Exxon v. Fischer. Exxon also challenged the Commission's decision under the Coastal Zone Management Act (CZMA) in Federal court, claiming that the proposed drilling would not affect any land or water use within California's coastal zone. The district court ruled in favor of Exxon. However, on appeal, the Court of Appeals for the Ninth circuit determined that this issue had already been litigated before the Secretary of Commerce and that Exxon's proper remedy was to seek judicial review of the Secretary's finding (see, Exxon Corp. v. Fischer.).
- 9. For More Information Refer to: Revised Findings, August 26, 1983; Amended POE, Staff Reports, December 15, 1983 and February 8, 1984; CC-5-83-A-2, Staff Recommendations, November 13 and 28, 1984; Secretary of Commerce Decision and Findings, February 18, 1984.

CC-7-83 AND CC-7-83R, EXXON, DPP, SANTA YNEZ UNIT PROJECT 3 to 4 PLATFORMS: HEATHER, HERITAGE, HARMONY SYU TRACTS: OCS-P 0180-0185, 0187-0197, 0326 & 0329 FILE DATES: 01/05/83 and 03/08/85, MMS

PART 1: CC-7-83

I. Summary

Exxon proposed to expand production in the Santa Ynez Unit, a consolidated 19-tract OCS unit 3 to 9 miles offshore between Point Conception and El Capitan in the western Santa Barbara Channel. One platform, Hondo A, and an Offshore Storage and Treatment vessel (OS&T) existed already. This DPP proposed two options, both of which proposed three or four new platforms and associated pipelines and electrical cables, as well as expansion of the gas processing plant under construction at the time in Las Flores Canyon. The options differed in storage and transport of the produced oil: in Option "A" the OS&T was to be expanded and oil was to continue being loaded directly onto tankers; in Option "B" new onshore storage and treatment facilities and a new nearshore marine terminal were to be developed to load the oil onto tankers. Option "B" also included a 50 megawatt onshore cogeneration plant to supply electricity for the entire project, with waste heat recovered for use in the processing facilities; in Option "A", electricity was to be generated via gas turbine generators on each platform and on the OS&T.

The Commission found that the OS&T of Option "A", an unpowered vessel loaded with oil rotating freely around a mooring three miles from the coast, posed a significant hazard to vessel traffic safety and was a threat to marine and coastal resources by virtue of the potential for catastrophic oil spills. The Commission objected to Option "A" primarily on the basis of these risks and the unmitigated adverse air quality impacts associated with Option "A". (A Memorandum of Agreement between Exxon and the State and local air control boards established a list of acceptable air quality mitigation measures for Option "B". The mitigation package did not apply to Option "A".) Given that an environmentally preferable alternative, namely Option "B", was feasible, the Commission found that Option "A" did not satisfy the three tests of the 30260 override for coastal dependent industrial development, and therefore found that Option "A" was inconsistent with the CCMP.

Prior to a Commission vote, Exxon withdrew from consideration those portions of Option "B" located within State boundaries, including the onshore oil storage and treatment facilities and the marine terminal. This would allow time for completion of the EIR/EIS for the project as well as ongoing pipeline feasibility and consolidated marine terminal siting studies being conducted by the County of Santa Barbara. Exxon would need to return to the Commission and the County for approval of the permits for the portions of the project within State jurisdiction in any event.

In evaluating the offshore (OCS) portions of Option "B", the Commission found that the mitigation measures and project modifications included by Exxon reduced adverse impacts of the project, particularly in the areas of commercial fishing and oil spill containment and clean-up, but that risks and

impacts remaining rendered the project inconsistent with a number of Coastal Act policies. Under the override provision of Section 30260, however, the Commission found that the adverse impacts associated with the offshore portions of Option "B" had been mitigated to the maximum extent feasible, and that no alternative locations for the platforms and pipelines were environmentally preferable and that the project satisfied the public welfare provision of Section 30260(2). The Commission therefore found the offshore portions of Option "B" consistent with the CCMP and concurred with Exxon's consistency certification for that part of the DPP.

II. Compendium

Project Description

DPP proposed by Exxon Company, USA, and its partners Chevron and Shell, for expansion of production in the Santa Ynez Unit (SYU), a consolidation of 17 tracts from a Bureau of Land Management Lease Sale (P4) of 1968 and two OCS tracts from Lease Sale 48, located three to nine miles offshore between Point Conception and El Capitan in the Western Santa Barbara Channel. Water depths: 648-1200 feet. Existing development in the SYU consisted of one platform with 28 well slots (Hondo A, installed in 1976 on tract P-0188 (see Permit No. 216-75)), which pumped its oil to an Offshore Storage and Treatment (OS&T) vessel, a converted oil tanker, moored 3.2 miles offshore. Oil from Hondo A was de-watered, stored on the OS&T and then loaded onto tankers for transport to refineries on the Gulf Coast. Gas from Hondo A, which was being reinjected into the ground at the time this DPP was submitted, was to be piped to shore for processing as soon as a gas pipeline and onshore gas processing facilities in Las Flores Canyon, under construction at the time (see South Central Coast Regional Commission Permit #311-05), were completed.

The DPP proposed new facilities under two major alternative development schemes, Option "A" and Option "B". Both options entailed 3 or 4 offshore platforms and associated pipelines and electrical cables. (The Plan was subsequently revised to cover three platforms; Harmony and Heritage with 60 well slots apiece and Heather with 28 well slots.) Both options proposed to expand existing Las Flores Canyon gas processing facility to accommodate gas production from the new platforms. The two options differed in how Exxon proposed to treat, store and transport the oil from the SYU platforms. Both alternatives ultimately relied on transport of treated crude by tanker to the Gulf Coast since Exxon stated that it did not have suitable refinery capacity in California and no pipeline existed at the time which could carry the thick SYU crude to Exxon's refineries in Texas. Under Option "A", the capacity of the existing OS&T would be expanded from 40,000 barrels per day to 80,000 barrels per day and the Las Flores gas processing plant would be expanded from 30 MMSCFD (million standard cubic feet per day) to 90 MMSCFD. Electrical generation was to occur via gas turbines on the platforms and the OS&T. Option "B" involved development of new oil treatment and storage facilities onshore, adjacent to the Las Flores Canyon gas plant, with a capacity of 140 thousand barrels of oil per day; removal of the OS&T; expansion of the Las Flores gas processing facilities from 30 MMSCFD to 135 MMSCFD; and construction of a new marine terminal with a single anchor leg mooring (SALM) and connecting pipeline about a mile offshore of El Capitan from which to load the oil onto tankers. Under this option, electrical generation was to occur at a 50-megawatt cogeneration plant at the onshore facilities site.

Exxon estimated that 300-400 million barrels of crude oil and 600-700 billion cubic feet of natural gas could be recovered over a period of 25-35 years.

2. Commission Action and Date

Objection to Option "A", and concurrence with the OCS portion of Option "B", June 23, 1983. The portions of Option "B" within the coastal zone were withdrawn by Exxon, to be resubmitted with more information at a later date. (Note: The Commission's objection to Option A was appealed to the Secretary of Commerce and preliminary findings were issued on February 18, 1984; however the project ultimately proceeded under Option B.)

Essentially, the Commission concurred with the consistency certification for the platforms and pipelines, but objected to the OS&T expansion as the preferred means of oil storage and treatment prior to shipment. The portions of the project withdrawn by Exxon (i.e., the onshore treatment facilities, marine terminal and pipeline to shore) were to be located within or landward of the coastal zone and would therefore require subsequent permit approval from the Commission and the County in any event. Exxon's withdrawal of these portions would allow ongoing studies (including an EIR/EIS, a pipeline feasibility study and a consolidated marine terminal siting study) to be completed prior to review for these permits. There would also be greater certainty regarding the California-Texas pipeline, and more would be known about the plans of other oil companies for development in the area, thus facilitating greater consolidation.

3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u> [Note: Mitigation measures apply to both options unless otherwise specified.]

A. Marine and Coastal Resources

(1) Drilling Muds

Mitigation In Project As Submitted:

(1) Platform discharges would occur at a depth of 125 feet to minimize adverse effects on marine biota of the photic zone.

Project Modifications Made During the Consistency Review Process

- (1) No chromates or dichromates in drilling muds:
- (2) Only barite from Battle Mountain, Nevada, which contains lower concentrations of toxic heavy metals, would be used in the drilling muds;

For Option "B" Only:

- (3) A drilling muds discharge compliance monitoring program conducted by an independent laboratory;
- (4) A 500-bbl portable muds storage tank per platform so that some specialty muds could be stored, transported to another platform (if appropriate), and re-used before being disposed.

Basis: Sections 30230 and 30231 address marine resources. Section 30250 addresses cumulative impacts. The Commission found that a lack of consensus existed in the scientific community about the long-term effects of drilling muds on biological productivity and marine resources. Some studies indicate that drill muds interfere with reproduction growth and other functions in marine organisms. The above mitigation and modifications would reduce the potential for adverse impacts by reducing the quantities of toxic heavy metals discharged to the marine environment. Providing storage of drilling muds would allow some re-use rather than disposal, while an independent monitoring program would assure compliance with NPDES permit conditions. The Commission found that even with these modifications, the remaining unmitigated impacts associated with drilling mud discharges rendered the project inconsistent with Sections 30230, 30231 and 30250. The Commission nonetheless found the offshore portion of Option "B" consistent with the override provision of Section 30260(3) with regard to drilling muds because it contained maximum feasible mitigation. The modifications offered for Option "B" were not included in Option A, so the Commission found that Option "A" was not mitigated to the maximum extent feasible, and was therefore not consistent with Section 30260(3).

(2) Marine Mammals

Project Modifications Made During the Consistency Review Process:

For Option "B" Only:

(1) Inclusion of gray whale identification and avoidance education in a training program for platform personnel and support boat operators.

<u>Basis</u>: Section 30230 addresses marine resources. Section 30250 addresses cumulative impacts. The above modification was intended to reduce the level of harassment caused to migrating gray whales by support boat and tanker traffic associated with this project. The Commission found that a lack of specific details regarding the training program or siting of support vessel traffic routes, and generally inadequate information on vessel and helicopter traffic rendered Option "A" and the offshore portion of Option "B" inconsistent with Section 30230 and 30250 with regard to marine mammal impacts. The Commission evaluated the OCS portion of Option "B" under the override provisions of Section 30260 and found it consistent with the CCMP (see discussion under Section 30260 (Section 4.G.), below).

(3) Commercial Fishing

Mitigation In Project As Submitted:

(1) Installation of pipelines in a manner which would minimize risk of damage to fishing gear.

Project Modifications Made During the Consistency Review Process:

(1) Placement of support vessel mooring buoys no more than 300 yards from the platforms to reduce area lost by trawlers, drift-netters and purse seiners;

For Option "B" Only:

- (2) Alignment of support vessel mooring buoys at the platforms parallel to shore to reduce area of precluded trawling (trawlers make their runs along bottom contours, parallel to shore);
- (3) Removal of construction buoys sixty days after completion of construction activities;
- (4) Establishment of support boat traffic routes from shore through the nearshore areas to minimize interference with fishermen;
 - (5) Exxon to prohibit support vessels from dumping debris into the ocean;
- (6) Post-construction subsea surveys along the centerline of installed pipelines at water depths of 900 feet or less to identify subsea obstructions;
 - (7) Dragging of the bottom where equipment is lost overboard;
 - (8) Retrieval of equipment which is dumped or lost overboard;
 - (9) Use of a smooth pipeline design;
 - (10) Shrouding of any necessary pipeline protrusions;
- (11) Use of pipeline installation equipment similar to that used in laying the POPCO line between Hondo A and shore, which did not create problems with anchor furrows according to trawl fishermen:
 - (12) Defining traffic lanes for tankers servicing the marine terminal;
- (13) Notification of fishermen at least six months in advance of the start of construction activities as to the timing and location of activities and structures:
- (14) Consultation with fishermen and selection of construction dates which would minimize interference with commercial fishing during peak fishing seasons;
- (15) Training program for Exxon and contract personnel to familiarize them with types of fishing conducted in the Santa Barbara Channel, fishing gear used, fishing seasons, and how oil and gas related activities can be conducted to minimize conflicts with fishing;
- (16) Participation in and provision of reasonable financial support for the "clearinghouse" group of oil company and fishing industry representatives that was already organized to improve communications and resolve potential conflicts between the industries. If this effort were to fail, Exxon offered to assume a leadership role to assure the successful establishment of such a clearinghouse.

Sections 30230 and 30231 address commercial fishing. Basis: Section 30250 addresses cumulative impacts. Driftnetting, trawling, purse seining, trapping and set gill netting were all important activities in the affected area. The Commission found that the above mitigation and modifications would reduce the adverse impacts of the project on commercial fishing activities. Even with these measures, however, fishing activity would inevitably be precluded from some areas during construction and for the life of the project due to the presence of offshore structures and project-associated vessel traffic. The Commission therefore found that both Option "A" and Option inconsistent with Sections 30230, 30231 and 30250. The Commission determined that the mitigation offered under Option "B", however, represented maximum feasible mitigation, and therefore found the offshore portion of Option "B" to be consistent with Section 30260(3). Because the above mitigation and modifications were not incorporated into the consistency certification and DPP for Option "A", the Commission determined that Option "A" was not mitigated to the maximum extent feasible and was therefore inconsistent with Section 30260(3).

Department of Fish and Game Fish Blocks 655, 656, 657.

B. Containment and Clean-up of Oil Spills

Mitigation In Project As Submitted:

- (1) At Platform Hondo A and each new platform:
 - (a) one 21-foot Boston whaler;
 - (b) one Komara mini-skimmer;
 - (c) 1500 feet of Kepner 18-inch sea curtain (containment boom);
 - (d) 5 bales of 3M sorbent;
 - (e) 2 drums of dispersant;

Project Modifications Made During the Consistency Review Process:

- (1) Provision of a 1200-gallon floating storage container at each platform;
- (2) Provision of 20 gallons of surface collecting agent at each platform;

For Option "A" Only:

- (3) At the OS&T:
 - (a) one 32-foot MonArk workboat;
 - (b) 1000 feet of 43-inch Whittaker Expandi boom;
 - (c) 5 bales of 3M sorbent;

For Option "B" Only:

- (4) Two 32-foot boats capable of boom deployment in the SYU area at all times:
 - (5) Two Walosep WI skimmers for the entire development;

- (6) One crew boat or work boat capable of skimmer deployment available within 50 minutes of any platform;
- (7) Exxon met with the Clean Seas Executive Committee, resulting in agreement to:
- (a) expand the storage capacity of the Mr. Clean vessel from 475 barrels to 1000 barrels;

(b) replace their Cyclonet skimmers with ODI or equivalent skimmers;

(c) conduct a comprehensive test of the Mr. Clean vessels;

- (d) improve the compatibility of vessel cruising speed with skimmer requirements;
 - (e) conduct joint spill response drills with Exxon;
- (8) In an evaluation following the tests, if the Commission, with advice from a panel consisting of representatives of Exxon, the Coastal Commission and the Coast Guard, determined that the system was not the most effective feasible, Exxon would either modify the system or provide new equipment;
- (9) Exxon would request MMS to invite a member of the Commission staff to observe any oil spill response drill conducted by MMS;
- (10) Exxon committed to using the boom and boat configuration most suitable to the weather conditions, location, and type and amount of oil in an actual spill;
- (11) Exxon would test the effectiveness and toxicity of its preferred dispersant, Corexit 9527, on SYU crude under the supervision of the Regional Response Team; [When combined with the oil being dispersed, this dispersant had been shown to be more toxic than the oil alone, and was also known to be marginally effective on heavy crude oils like that of the SYU]; and
- (12) Exxon would test other dispersants and would use the one which was most effective and least toxic.

<u>Basis</u>: Section 30232 addresses oil spills. The above mitigation and modifications would significantly improve protection to coastal resources; however, the Commission found that even the best oil spill containment and clean-up equipment would not be effective at keeping oil off the coastline in a large spill. The Commission therefore determined that both Option "A" and the offshore portion of Option "B" were inconsistent with Section 30232. The Commission determined, however, that the above mitigation and modifications added to the DPP for the offshore portion of Option "B" constituted maximum feasible mitigation of oil spill risks and that the offshore portion of Option "B" was therefore consistent with Section 30260(3). The Commission found that Option "A", which did not include the modifications, was not mitigated to the maximum extent feasible and was therefore inconsistent with Section 30260(3) with regard to oil spills.

C. Vessel Traffic Safety

Mitigation In Project As Submitted:

(1) Navigational aids (lights and horns) would be installed on all platforms and, for Option "A", on the OS&T according to Coast Guard requirements;

Project Modifications Made During the Consistency Review Process:

For Option "A" Only:

- (2) Exxon requested the Coast Guard to develop regulations to prohibit all vessels over 100 feet in length from entering an area over 7,000 feet in diameter around the OS&T:
- (3) Possible 1,650 foot radius exclusion zone for large vessels around each of the proposed platforms.

<u>Basis</u>: Section 30232 addresses oil spills; Section 30262(d) addresses vessel traffic safety hazards; Section 30250 addresses cumulative impacts. For the offshore portion of Option "B", the Commission determined that the proposed platforms were far enough away from traffic lanes and would be equipped with sufficient light and sound warning devices that they would not constitute a significant hazard to vessel traffic safety. The Commission therefore found the offshore portion of Option "B" consistent with Sections 30232 and 30262(d).

Regarding Option "A", however, the Commission determined that the OS&T, a vessel full of oil often linked end-to-end with another vessel being loaded, rotating freely around a mooring three miles from shore, would represent a hazard to vessel traffic safety, even more than a nearshore marine terminal. The Commission found that the proposed Coast Guard regulation would lessen the danger of collision, but would not eliminate it. The Commission found that the OS&T would pose an unacceptable risk to navigational safety and a threat to marine resources because of the potential for a major oil spill resulting from a collision, and that Option "A" was therefore inconsistent with Sections 30232, 30262(d), and 30250. In light of the feasibility of Option "B", and because it would provide an environmentally preferable alternative, the Commission also found Option "A" inconsistent with Section 30260.

D. Archaeological Resources

Mitigation In Project As Submitted:

(1) Subsea pipelines would be installed in corridors selected to minimize the total area to be disturbed, taking into account geological and technical constraints.

Project Modifications Made During the Consistency Review Process:

(1) A 300-foot radius avoidance zone around potential shipwreck sites during construction;

(2) A commitment that, where pipeline corridors might affect archaeological resources, a qualified archaeologist would oversee site preparation, and, should resources be discovered, Exxon would suspend activity, allow examination of the site and develop mitigation measures subject to review and approval by the Executive Director of the Commission.

<u>Basis</u>: Section 30244 addresses archaeological resources. Four potential shipwreck sites were identified in offshore field surveys. The Commission found that avoidance and mitigation measures were sufficient for Option "A" and the offshore portion of Option "B" to be consistent with Section 30244.

4. Other Issues

A. Pipeline Transportation of SYU Crude. Sections 30230, 30231 and 30232 address protection of marine resources and oil spills. Numerous State and Federal planning studies and other reports have concluded that pipelines, especially onshore pipelines, are environmentally preferable to tankering due to lower risk of large oil spills and lower air quality impacts. (Hydrocarbons are emitted during loading and unloading of tankers, and the tankers themselves create air emissions from their engines.) In 1976, the Commission had approved Exxon's proposal for a temporary marine terminal to transfer the oil produced from Platform Hondo A (Appeal No. 216-75). The Commission's approval was conditioned such that the marine terminal could only be used. Rather than accept this conditional approval, Exxon chose to utilize an OS&T just outside the three mile limit of State jurisdiction. Commission's consistency jurisdiction over such an OCS activity had not yet been established.) With the expansion of SYU development proposed under the current DPP, Exxon asserted again that an onshore pipeline was not economically feasible and that it had to tanker SYU production to Exxon refineries on the Gulf Coast. Neither Option "A" nor Option "B" therefore proposed transportation by pipeline.

The Commission's findings noted, however, that Exxon did have a 104,000 bbl/day refinery in California, at Benicia in the San Francisco Bay area, which was accessible by pipeline, and that 20-30% of the SYU production belonged to Chevron, who also had refineries in California. The Commission found that Exxon had not adequately considered the possibility of pipeline transportation to refineries, and had not shown that a marine terminal or OS&T would provide effective protection against oil spills. The Commission therefore found that Option "A" was inconsistent with Section 30232. Prior to Commission action on Option "B", Exxon withdrew the onshore and marine terminal portions, leaving the question of transport of the SYU crude for future consistency review. These facilities would require subsequent review by the Commission in any event when Exxon applied for the necessary State and County permits. An EIR/EIS for the project and Santa Barbara County's pipeline feasibility study were expected to be completed within a few months and were expected to shed additional light on the issue of pipeline transportation.

B. Marine Resources - (1) Benthic Habitat/Kelp Beds. Because the nearshore portions of Option "B" were withdrawn by Exxon prior to Commission action, the Commission did not make a finding of consistency for Option "B" for this issue. Sections 30230 and 30231 address marine resources. Exxon's DPP provided general descriptions of the benthic environment in the Santa Ynez Unit; however, the plan did not provide detailed maps comparing proposed

pipeline locations with the location of marine resources or rocky reef areas supporting significant biological communities. Also no specific information was provided on the amount and locations of blasting operations for pipeline installation. The Commission found that this lack of information rendered Option "A" inconsistent with Sections 30230, 30231 and 30260.

- C. Access and Recreation. In regard to Option "A", the Commission noted that there would be no impedance to public access or recreational use of the onshore beaches since no new pipelines would be constructed on the beach. In addition, Exxon had included in the DPP mitigation in the form of a shuttle for workers to reduce adverse impacts on regional access routes. Commission therefore found Option "A" to be consistent with Sections 30211 and 30212, which address public access. However, the Commission found that demand for transient worker accommodations, especially during construction of the project, would have unknown adverse impacts on lower cost camping and visitor The Commission found that there was a lack of adequate facilities. information regarding transient worker accommodations for the project to be found consistent with Sections 30210 and 30213, which require protection of lower cost recreation opportunities and visitor facilities. In its analysis of "Option B", the Commission noted potential degradation of recreational resources due to project-related noise, and oil spill risk . However, because Exxon withdrew the onshore portion of Option "B", the Commission did not make findings with regard to recreational and access issues for this option.
- D. <u>Visual Impacts</u>. Section 30251 addresses scenic resources; Section 30240(b) addresses recreation; Section 30250 addresses cumulative impacts. The existing OS&T (Option "A") and the proposed marine terminal (Option "B") were located offshore of two very popular, heavily used State beaches. While the Commission deferred findings on the consistency of the marine terminal with regard to visual impact policies because Exxon withdrew that portion of Option "B", it found that the addition of four platforms and the continuing presence of the OS&T represented major visual intrusions into the offshore environment. Because Option "A" and the offshore portion of Option "B" did not protect the scenic and visual quality of this area of the coast, the Commission found that both were inconsistent with Sections 30251, 30240(b) and 30250. For the offshore portions of Option "A" however, the Commission found that additional measures to reduce the adverse visual impacts were not feasible and that visual impacts were mitigated to the maximum extent feasible, consistent with Section 30260(3).
- E. <u>Geologic Hazards</u>. Sections 30253, 30262 and 30263 address geologic hazards. A number of potential geologic hazards were identified in the Santa Ynez Unit. Exxon conducted site specific surveys and engineering studies and committed, through design or avoidance, to mitigate potential hazards of slumping, turbidity flows, liquefaction, seismicity, shallow gas and faulting. The Commission determined that these problems had been adequately resolved and that both Option "A" and the offshore portion of Option "B" were consistent with Sections 30253, 30262 and 30263 with regard to geologic hazards.
- F. <u>Air Quality</u>. Section 30253(3) addresses air quality. Section 30250 addresses cumulative impacts. Both Santa Barbara and Ventura Counties were non-attainment areas for ozone and would be affected by NOx emissions (a precursor to ozone) generated by the SYU project.

On October 8, 1982, prior to submittal of the DPP, Exxon had signed a Memorandum of Agreement with the ARB and the Santa Barbara County APCD. The findings state that both the ARB and the APCD made it clear they were opposed to the OS&T because it would produce substantially higher emissions than would operation of the marine terminal. The agreement, known as MOA-II, therefore provided for mitigation of air quality impacts only for Option "B". MOA-II was submitted with the DPP and Exxon later clarified in writing that the mitigation measures contained in the MOA were unconditionally included in the DPP consistency certification for Option "B". The mitigation measures, including those contained in MOA-II, were as follows:

(Note: Most of these were to be applied to the marine terminal and onshore cogeneration plant, which Exxon withdrew from consideration prior to Commission action.)

For Option "B" Only:

- (1) Use of water or steam injection to reduce NOx emissions at the cogeneration plant;
- (2) Implementation of an innovative equipment demonstration program on one of the turbines of the cogeneration plant to further the state of the art in NOx control:
- (3) Use of sweetened natural gas as fuel for the cogeneration facility to reduce SOx emissions;
- (4) Recovery of waste heat from the cogeneration plant to supply process heat for oil and gas processing facilities, thus eliminating the need for separately fired heaters;
- (5) Use of a vapor recovery system and implementation of a comprehensive maintenance program to reduce hydrocarbon emissions from the oil processing and storage facilities in Las Flores Canyon;
 - (6) Use of sulfur recovery equipment for the gas treatment facilities:
- (7) A gas blanketing and vapor recovery system, use of tandem mechanical seals and a comprehensive maintenance program on the new platforms to minimize fugitive hydrocarbon emissions;
- (8) Use of sweetened natural gas for turbine and process heater fuel on platforms;
- (9) Recovery of waste heat on all gas-fired turbines to minimize need for separately fired heaters;
 - (10) Use of low NOx burners on all new process heaters;
- (11) Venting of all safety relief valves into a closed flare header system equipped with a scrubber and designed for smokeless operation;
- (12) Use of water or steam injection on platform turbines, if technically feasible, to reduce NOx emissions;

- (13) A vapor control system to eliminate hydrocarbon emissions from tanker loadings at the marine terminal;
- (14) Removing the OS&T when onshore processing facilities and the new marine terminal are operational;
- (15) Use of low sulfur fuel oil on tankers while "in the vicinity" of the marine terminal, with the fuel switch to occur as soon as practicable after the vessel leaves the VTSS traffic lames;
- (16) A \$25,000 contribution to fund a data acquisition system for the Santa Barbara County;
- (17) Use of innovative NOx control technology on crew and supply boats and scheduling of trips to minimize total number of vessel movements;
- (18) Use of large diameter pipelines to minimize pumping and compression horsepower required, thereby reducing emissions;
 - (19) Encouragement of worker participation in car and van pools.

The Commission found that both Option "A" and Option "B" would have adverse impacts on air quality in the coastal zone, and that the onshore impacts of Option "A", with its OS&T, were greater than for Option "B". Because Exxon had reached an agreement with the ARB and the Santa Barbara County APCD regarding mitigation for Option "B", the Commission found that the offshore portions of Option "B" were consistent with Section 30253(3). Regarding Option "A", however, no additional mitigation measures were proposed by Exxon for the OS&T beyond what already existed (vapor balance and sulfur recovery systems to control emissions during loading). The Commission found that adequate controls for emissions from the OS&T were not provided and that Option "A" was not consistent with Section 30253(3) and 30250. Because the onshore treatment and storage scenario of Option "B" provided a feasible alternative with greater mitigation of air quality impacts than the OS&T scenario, the Commission also found Option "A" inconsistent with Section 30260.

For Option "A", the Commission found that onshore G. Section 30260. storage facilities and a marine terminal were a feasible, environmentally preferable alternative location to the OS&T for the storage and treatment of SYU crude, and that Option "A" was therefore inconsistent with Section 30260(1). Many of the mitigation measures offered for Option "B" were not included in the DPP for Option "A"; the Commission also found that additional mitigation could have been provided for the OS&T, including better tug boat availability to respond quickly in the event of a disabled tanker, a Safety Fairway from the VTSS to the OS&T to reduce navigational hazards, and a Vessel Traffic Monitoring System (either around the OS&T or Channel-wide) to control Commission therefore found that Option "A" was traffic. The inconsistent with Section 30260(3) with regard to oil spill containment and clean-up equipment, protection of marine resources, air quality, commercial fishing, and vessel traffic safety. The Commission further found that approval of Option "A", when a feasible alternative with fewer risks and adverse impacts to coastal resources was available (i.e., Option "B"), would not be in the national interest and would not promote the public welfare;

Option "A" was therefore not consistent with Section 30260(2). The Commission concluded that Option "A" was not consistent with the CCMP, and objected to Exxon's consistency certification.

Regarding the offshore portion of Option "B", the Commission found that no feasible, less environmentally damaging locations were available for the proposed platforms and offshore pipelines, and that the offshore portion of Option "B" was therefore consistent with Section 30260(1). The Commission further found that the mitigation provided by Exxon in its modifications to the DPP for the offshore portion of Option "B" constituted maximum feasible mitigation, and that the offshore portion of Option "B" was therefore consistent with Section 30260(3). The Commission found that the offshore portion of Option "B", as modified during the consistency review process, provided an adequate balance between environmental safeguards to protect coastal resources and promotion of coastal-dependent energy production; therefore it was consistent with Section 30260(2). The Commission concluded that the offshore portions of Option "B" were consistent with the CCMP, and concurred with Exxon's consistency certification for this option.

H. Consolidation

(1) <u>Section 30261</u>. Section 30261 addresses consolidation. No findings were made for Option "B" since the marine terminal was withdrawn from consideration by Exxon. For Option "A", the Commission found that expansion of the OS&T, was intended only for SYU production, would not provide for development of a single consolidated multi-company marine terminal for the area, rendering Option "A" inconsistent with Section 30261(a). The Commission also determined that proliferation of separate terminal facilities would result in greater cumulative impacts on air quality, and fishing, and greater oil spill risk than a single consolidated terminal, and that Option "A" was therefore also inconsistent with Section 30250.

Section 30261 addresses consolidation and provides that tanker facilities design: (1) minimize the total volume of oil spilled; (2) minimize risk of collision from movement of vessels; (3) have ready access to the most effective feasible containment and recovery equipment for oil spills; and (4) have onshore deballasting facilities. The Commission found that: (1) the use of a large volume OS&T by its nature increases the volume of oil which could be spilled compared to a marine terminal; (2) a lack of consolidated tanker facilities would mean that tankers would be traversing waters outside of established traffic lanes to a larger number of different loading sites along the coast, thereby increasing risk of collision; (3) the proposal did not include an equipped oil spill response vessel to be located at the OS&T during transfer operations; and (4) no onshore ballasting facilities were provided. The Commission therefore found that Option "A" was inconsistent with all parts of Section 30261.

(2) <u>Section 30262</u>. Section 30262(b) addresses consolidation. The Commission made no findings with regard to the consistency of Option "B" with this section since the onshore facilities and marine terminal were withdrawn by Exxon prior to Commission action. The Commission found that the OS&T included as part of Option "A" discouraged consolidation of facilities because it was intended for use only by Exxon to transport crude from SYU, thus requiring additional facilities for other nearby developments. The Commission found that Option "A" was therefore inconsistent with Section 30262(b).

Sections 30262(c), 30262(e), and 30262(f) address subsea completions, subsidence hazards, and reinjection of oilfield brines, respectively. Subsea completions were economically and technically infeasible, subsidence was not expected to be a problem, and oilfield brines would be discharged pursuant to an NPDES permit. The Commission therefore found that both Option "A" and the offshore portions of Option "B" were consistent with these Sections.

- I. <u>Section 30263</u>. Section 30263 applies to new or expanded refineries or petrochemical facilities. The onshore portion of Option "B" was withdrawn by Exxon prior to Commission action, so the Commission made no findings for Option "B" with respect to this Section. The Commission determined that the treatment facilities on the OS&T were considered refineries under the Coastal Act since these facilities were to perform the first step necessary to transform crude oil as it is produced into marketable fuels. The Commission determined that the OS&T failed to meet all of the requirements of Section 30263. These included:
- (a) That alternative locations are not feasible or are more environmentally damaging. Onshore storage and treatment facilities were feasible and environmentally preferable;
- (b) That adverse environmental impacts are mitigated to the maximum extent feasible. As noted above, many of the mitigation measures proposed for Option "B" were not included in the consistency certification or DPP for Option "A" even though they were feasible;
- (c) That not permitting such development would adversely affect the public welfare (see discussion of Section 30260(2) above);
- (d) That the facility is not located in a highly scenic area (see discussion under Visual Impacts above);
- (e) That the facility is sited so as to provide a sufficient buffer area to minimize impacts on surrounding property. The OS&T would pose oil spill and vessel traffic safety risks to surrounding waters and coastline; and
- (f) That negative impacts of the project upon air quality are offset. Exxon did not agree to offset the emissions from the OS&T.

The Commission therefore found that Option "A" was inconsistent with the provisions of Section 30263.

5. Related Commission Action

For a history of Commission on the Exxon SYU project, see Related Commission Action section of CC(E)-64-87/E-1-87.

6. For More Information, Refer To:

Revised Findings, dated September 2, 1983

CC-7-83 AND CC-7-83R, EXXON, DPP, SANTA YNEZ UNIT PROJECT 3 to 4 PLATFORMS: HEATHER, HERITAGE, HARMONY SYU TRACTS: OCS-P 0180-0185, 0187-0197, 0326 & 0329 FILE DATES: 01/05/83 and 03/08/85, MMS

PART 2: CC-7-83R

I. Summary

In June of 1983, the Commission considered Exxon's consistency certification (CC-7-83) for expansion of oil and gas production activities in the Santa Ynez Unit, a 19-tract OCS unit 3 to 9 miles offshore between Point Conception and El Capitan in the western Santa Barbara Channel. Exxon proposed two development options, "A" and "B". Both involved three or four platforms and associated pipelines and cables in OCS waters, plus expansion of an onshore Option "A" proposed the expansion of an existing gas processing plant. Offshore Storage and Treatment vessel (OS&T) which was located just outside the three mile limit of State waters, while Option "B" proposed construction of onshore oil treatment and storage facilities and a new marine terminal within State waters (5,000 feet from shore). In its previous decision (see CC-7-83), the Commission objected to Option "A", primarily because of risks and impacts associated with the OS&T, and concurred with the OCS portions of Option "B". The nearshore and onshore portions of Option "B" were withdrawn by Exxon prior to Commission action.

The subject of this subsequent review (CC-7-83R) was Exxon's resubmittal of the consistency certification for the nearshore and onshore (i.e., the non-OCS) components of Option "B". These included a marine terminal and pipelines in state waters, and, onshore, oil treatment and storage facilities. expansion of existing gas treatment facilities, and a cogeneration plant. Information pertinent to the evaluation of the project, including an EIR/EIS and Santa Barbara County's pipeline feasibility and marine terminal siting studies, which had not been available during the Commission's previous review, were now available. A key factor in the Commission's decision with respect to some issues was the fact that all components under review in this proposal were located within State boundaries and would be subject to subsequent review by the Commission during the development permit stage, allowing any remaining unresolved issues to be addressed through permit conditions at that time. Also important in the Commission's concurrence was Exxon's commitment to use pipeline transportation of SYU crude if and when it became feasible. Commission found that there was no environmentally preferable location for the project, and that the project's adverse impacts would be mitigated to the maximum extent feasible, based on its ability to condition the project in its pending subsequent review. The Commission therefore concurred with Exxon's consistency certification.

II. Compendium

1. Project History

In June of 1983, the Commission considered Exxon's consistency certification (CC-7-83) for expansion of oil and gas production activities in the Santa Ynez Unit, a 19-tract OCS unit 3 to 9 miles offshore between Point Conception and El Capitan in the western Santa Barbara Channel. Exxon proposed two development options, "A" and "B". Both involved three or four platforms and associated pipelines and cables in OCS waters, plus expansion of an onshore gas processing plant. Option "A" proposed the expansion of an existing Offshore Storage and Treatment vessel (OS&T) which was located just outside the three mile limit of State waters, while Option "B" proposed construction of onshore oil treatment and storage facilities and a new marine terminal within State waters (5,000 feet from shore). The Commission objected to Option "A", primarily because of risks and impacts associated with the OS&T, and concurred with the OCS portions of Option "B". Prior to the Commission vote, Exxon had withdrawn the nearshore and onshore portions of Option "B."

2. Project Description

This proposal was a resubmittal of the consistency certification for those portions of development Option "B" for the Santa Ynez Unit which had been withdrawn by Exxon during the Commission's previous review (see above and The project site was located onshore within Las Flores and Corral Canyons and offshore within State waters between El Capitan and Refugio in Santa Barbara County, about 20 miles west of the city of Santa Barbara. Pipelines for gas and crude emulsion, as well as electrical power cables and a produced waters outfall (to discharge approximately 1.5 miles offshore) were proposed from the platforms through state waters to shore. The marine terminal was proposed for a location 14,000 feet from shore, with a nominal crude oil capacity of 140,000 barrels per day, vapor balance and crude loading pipelines, and a Single Anchor Leg Mooring (SALM). Onshore facilities, which had been approved by Santa Barbara County under a permit issued on August 27, 1984, and modified March 11, 1985, included a 140,000 barrel/day oil treatment facility, a 135 million standard cubic foot per day gas treatment facility, a 15-25 megawatt cogeneration plant, a 650,000 barrel oil storage facility, and the incoming oil and gas pipelines. Use of the OS&T would be discontinued within 30 days of the time that onshore oil facilities were fully operational and debugged. A schedule was set for removal of existing facilities which would no longer be used, including a multi-buoy marine terminal off El Capitan and associated onshore structures (within one year of DPP approval), the OS&T (within one year of start-up of the onshore oil processing facilities), and the mooring for the OS&T (within six months following removal of the OS&T). (Chevron and Shell were partners with Exxon on this project.)

Total primary recovery of the proposed development was expected to be approximately 300 to 400 million barrels of crude oil and 600 to 700 billion standard cubic feet of natural gas. Recovery of these reserves was to take place over a period of 25 to 35 years.

3. Commission Action and Date

Concurrence, August 30, 1985.

4. <u>Issues Involving Project Modifications Made During the Consistency Review</u> Process

A. Marine Resources.

Mitigation in Project As Submitted:

- (1) All discharges would meet water quality standards of the Federal EPA, the State Water Resources Control Board, and the California regional water quality control boards:
- (2) All tankers berthing at the marine terminal either would have separated ballast tanks or be required to retain onboard any non-segregated ballast for subsequent discharge in a manner acceptable to the U.S. Coast Guard. (This would allow Exxon greater freedom to choose its preferred method of achieving the desired water quality mitigation, and would make it easier for other companies (whose tankers might not have segregated ballast tanks) to use the terminal, thereby facilitating consolidation.)

Project Modifications Made During the Consistency Review Process:

- (1) Provision of more detailed detailed information on the location of marine resources in relation to proposed pipeline routes;
- (2) Use of alternative means, other than segregated ballast tanks, to mitigate deballasting, provided any such alternative used receives prior approval from the Commission;
- (3) The use of particular support vessel traffic routes to minimize disturbance of migrating whales and fishermen;
- (4) A training program to educate platform operators and supply boat crews about potential conflicts with marine mammals.

Sections 30230, 30231, and 30232 address marine resources. Section 30261 addresses consolidation . The Commission found that the installation of pipelines and the SALM (single anchor leg mooring), the use of large anchors, and the operation of service boats would impact benthic organisms and kelp Construction of the formation water and hydrostatic test water outfall and subsequent discharges from these sources might adversely affect nearshore rocky reefs and/or kelp beds. Helicopter and boat traffic associated with the project could disturb marine mammals, especially migrating gray whales. The above mitigation and modifications provided some added protection for marine The Commission found that since the activities would require a separate coastal development permit, and that additional conditions could be imposed at that time to mitigate impacts to the maximum extent feasible, the project could be found consistent with Coastal Act policies protecting marine resources. The Commission found that segregated ballast tanks provided the same level of protection as onshore deballasting facilities, and that the project was therefore consistent with Section 30261(4).

B. Commercial Fishing.

Mitigation in Project As Submitted:

- (1) Minimizing construction time and the number of support boat trips;
- (2) Promptly removing construction equipment and related debris;
- (3) Minimizing seafloor modifications and promptly notifying the commercial fishing industry of any permanent modifications;
- (4) Enforcing use of the Santa Barbara Channel Support Vessel Corridor Program as established by the Joint Oil-Fisheries Committee;
- (5) Establishing a program at the SALM site to monitor loss or contamination of commercial species;
- (6) Establishing a fisheries training program for the service vessel personnel;
- (7) Scheduling tanker loading to occur during daytime hours in the drift gillnet season.

Project Modifications Made During the Consistency Review Process:

- (1) Providing construction schedules to fishermen at least 60 days in advance;
- (2) Sub-sea surveys for locating dropped debris and equipment, and removal of such obstructions;
 - (3) Use of smooth pipeline design and shrouding of pipeline protrusions;
- (4) Contributions into a fisheries enhancement and contingency fund, used to enhance impacted fisheries and reimburse fishermen for gear damaged by snags related to oil and gas activities;
- (5) Use of pipeline installation techniques similar to those used during laying of the POPCO gas line, a process which fishermen stated posed few problems with anchor furrows;
- (6) Post-construction surveys along the center line of the pipelines in water depths of 900 feet or less, and retrieval of the recoverable debris and equipment;
- (7) Consultation with fishermen to avoid peak fishing seasons as much as possible;
- (8) Defining recommended traffic lanes for the tankers servicing the marine terminal.

Coastal Act policies which address commercial fisheries and associated commercial fishing industries are contained in Sections 30230, 30231, 30234, 30250, 30255, and 30703 of the Coastal Act. The Commission found that nearshore commercial fisheries would be disturbed or displaced by construction activities and support boat traffic. Previous oil and gas activity and debris had already excluded large areas in the Las Flores vicinity from trawling and drift gillnetting, and tanker traffic to the marine terminal was expected to Fisheries would also be adversely affected by create further impacts. pipelines, wastewater discharges from the onshore processing facilities, and potential oil spills. Although the above mitigation and modifications would reduce the impacts of the project on commercial fisheries, the Commission found that the impacts remaining would significantly affect the fishing industry, and the project was therefore inconsistent with Sections 30230, 30231, 30234, 30250, and 30255. The Commission found, however, that the project was consistent with Section 30260 and the CCMP because it was to be located in the least environmentally damaging location and because the applicant would be required at the permit stage to mitigate impacts to the maximum extent feasible. Additional mitigation measures which the Commission mentioned might be among those considered during subsequent review of the development permits were related to increasing enforceability of the County permit conditions, clean-up of anchor scars, timing of construction to avoid fishing seasons, and further refinement of previous mitigation measures.

Department of Fish and Game Fish Blocks 655, 656, 657.

C. Containment and Clean-up of Oil Spills

Mitigation In Project As Submitted:

- Mr. Clean vessels and equipment had been tested and found adequate by the Commission, as discussed during review of CC-7-83;
 - (2) One small boat would be stored on each platform for boom deployment;
 - (3) A Walosep W-1 skimmer would be located at the marine terminal;
- (4) Five barrels of sorbent capacity would be located at the marine terminal;
- (5) Application to EPA and the State to use a more effective dispersant than that originally proposed in 1983.

Project Modifications Made During the Consistency Review Process:

- (1) A vessel onsite at the marine terminal during transfer operations equipped with:
 - (a) 1500 feet of boom;
 - (b) an open-ocean skimmer;
 - (c) 15 barrels of sorbent capacity:
- (d) oil storage capability adequate to allow skimming operations to be conducted until other assistance can arrive;

(2) Commitment to have 1000 bbls. of storage capacity at the site within six hours.

<u>Basis</u>: Section 30232 addresses oil spills. The Commission found that currently available equipment did not have the capacity to clean up large oil spills in the open ocean and keep them from contacting the coastline. The Commission therefore found the project inconsistent with Section 30232. However, the Commission determined that maximum feasible mitigation had been provided and that the project was therefore consistent with Section 30260.

5. Other Issues

- A. Transportation of Crude Oil by Pipeline. Sections 30230, 30231, 30232. 30253, 30262 and 30260 address various coastal resource issues and aspects of operations, including marine resources, air quality, and consolidation. Commission determined that pipelines would provide the most environmentally protective method of oil transportation, and studies cited in the Commission's findings had revealed the superiority of onshore pipelines over tankering in regard to environmental protection, due to lower air quality impacts and reduced risk of catastrophic oil spills. As part of this project, Exxon committed to transport SYU crude by pipeline in a manner consistent with Santa Barbara County LCP policies. This entailed transportation by onshore pipeline when feasible, although tankering would still be allowed (1) on an emergency basis, (2) if a pipeline were not available, or (3) if there was inadequate pipeline capacity. The marine terminal was intended for use only to handle oil volumes in excess of the capacity of the Gaviota interim terminal until 1987, and from then on only on an emergency basis or if a pipeline with adequate capacity was not available to the market destination. With Exxon's commitment for pipeline transportation, the Commission found the project was mitigated to the maximum extent feasible with regard to transportation of the produced crude, and was therefore consistent with the override provision of Section 30260.
- B. <u>Vessel Traffic Safety</u>. Section 30232 addresses oil spills. Union Oil had leased and expressed interest in exploration of the tract in which the marine terminal was to be located. This posed potential conflicts between exploratory activities and tanker traffic related to the marine terminal. With the understanding that the safety conflicts between a marine terminal at this site and possible future development of state leases would have to be addressed at the permit stage, and that a risk management plan might be required as a permit condition at that time, the Commission found that the general concept of a consolidated marine terminal at the site proposed was consistent with Section 30232.
- C. <u>Geologic Hazards</u>. Section 30253 addresses geologic hazards. Exxon conducted geologic hazard surveys of pipeline routes and the SALM site as part of the DPP and consulted with the Commission's staff geologist. The Commission found that the pipelines and marine terminal would be located where geologic hazards were minor and could be avoided or mitigated, and that the project was therefore consistent with Section 30253.
- D. Air Quality. Section 30253(3) addresses air quality. Both Santa Barbara and Ventura Counties were non-attainment areas for ozone and would be affected by NOx emissions (a precursor to ozone) generated by the SYU

project. The mitigation provided as part of this project as submitted included the measures from a Memorandum of Agreement between Exxon, the ARB and Santa Barbara County APCD (known as MOA-II, dated October 8, 1982), as well as measures included in a settlement agreement reached on February 20, 1985, in the case of Exxon Corp. v. County of Santa Barbara, and conditions imposed by the County on Exxon's permit for the onshore facilities. These measures included:

- (1) Use of water or steam injection to reduce NOx emissions at the cogeneration plant;
- (2) Implementation of an innovative equipment demonstration program on one of the turbines of the cogeneration plant to further the state of the art in NOx control:
- (3) Use of sweetened natural gas as fuel for the cogeneration facility to reduce SOx emissions;
- (4) Recovery of waste heat from the cogeneration plant to supply process heat for oil and gas processing facilities, thus eliminating the need for separately fired heaters;
- (5) Use of a vapor recovery system and implementation of a comprehensive maintenance program to reduce hydrocarbon emissions from the oil processing and storage facilities in Las Flores Canyon;
 - (6) Use of sulfur recovery equipment for the gas treatment facilities;
- (7) A gas blanketing and vapor recovery system, use of tandem mechanical seals and a comprehensive maintenance program for the oil treatment and storage facilities to minimize fugitive hydrocarbon emissions;
- (8) A vapor control system to eliminate hydrocarbon emissions from tanker loadings at the marine terminal;
- (9) Recovery of waste heat on all gas-fired turbines to minimize need for separately fired heaters;
 - (10) Use of low NOx burners on all new process heaters;
- (11) Venting of safety relief valves into a closed flare header system equipped with a scrubber and designed for smokeless operation;
- (12) Removal of the OS&T when onshore processing facilities and the new marine terminal were operational;
- (13) Use of low sulfur fuel oil on tankers while "in the vicinity" of the marine terminal, with the fuel switch to occur as soon as practicable after the vessel leaves the VTSS traffic lanes;
- (14) A \$25,000 contribution to fund a data acquisition system for the Santa Barbara County;

- (15) Use of large diameter pipelines to minimize pumping and compression horsepower required, thereby reducing emissions:
- (16) Use of innovative NOx control technology on crew and supply boats and scheduling of trips to minimize total number of vessel movements;
 - (17) Encouragement of worker participation in car and van pools:
- (18) A commitment by Exxon to demonstrate to Santa Barbara County that all NOx and hydrocarbon emissions associated with the SYU project, including sources from the federal OCS, are fully mitigated to maintain compliance with reasonable further progress provisions of the County Air Quality Attainment Plan;
- (19) A provision to allow the County to modify air quality permit conditions as necessary to assure consistency with the Air Quality Plan;
- (20) Full mitigation for any project component that results in ozone standard violations;
- (21) Implementation of an air pollution curtailment plan in the event that Exxon's air quality monitoring equipment indicates a violation of federal, state or local air quality standards.

The Commission noted that all phases of the project in this proposal were subject to direct County APCD jurisdiction and, following APCD permit approval, would require coastal development permits from the Commission. The Commission therefore found that there was adequate assurance that the project would be carried out in a manner consistent with Section 30253(3).

- E. <u>Habitat and Land Resources</u>. Sections 30231, 30250, 30254, 30240 and 30236 address land resources. Construction of the oil and gas processing facilities in Las Flores Canyon would cause disturbance to riparian habitat and oak stands due to grading and pipeline installation. In addition, the facility would draw on groundwater resources. Mitigation included by Exxon in its submittal included the following measures:
- (1) Hydroseeding, hydromulching, and replanting of disturbed areas using predominantly California native vegetation similar to that existing prior to disturbance; revegetation was to be completed within one year of project start-up;
- (2) Added trees and shrubs would be drip-irrigated until established and able to survive on normal rainfall;
- (3) Steep cuts would be planted with deeper-rooted shrubs and trees to aid stabilization and reduce erosion;
- (4) Selection of pipeline corridor routes to minimize the number of trees removed and to avoid particularly large ones entirely;
- (5) Use of a large-diameter drainage pipe as a temporary creek bypass to prevent flooding and erosion of the construction area;

(6) Control of stormwater runoff using a combination of temporary graded ditches, berms, and silt retention ponds;

In addition, the project as submitted included conditions imposed on the permit issued by the County of Santa Barbara in order to further reduce adverse impacts. These included:

- (1) Requirement of an approved landscape plan;
- (2) Replacement of removed trees;
- (3) Addition of buffer zones along riparian areas;
- (4) Fencing of the project facilities to limit disturbance to the surrounding areas;
 - (5) Avoidance of riparian areas to the maximum extent feasible;
 - (6) Restoration of disturbed riparian habitat areas on a two-to-one ratio;
 - (7) Trenching in the riparian habitat area only during the dry season;
 - (8) Grading in the State Parks only during the winter months;
- (9) Pre- and post-construction vegetation surveys, with allowance for additional mitigation measures in the future if deemed necessary by the County's Resource Management Department;
- (10) Design of the culvert across Corral Creek to provide for wildlife movement along the creek and fish movements if deemed necessary by the California Department of Fish and Game;
- (11) Baseline water quality sampling and analysis, sediment measurements and development of a Surface Water Quality Management Program;
- (12) Preparation of a Groundwater Management Plan providing for baseline and production phase monitoring, pumpage limits, water table decline limits, water quality protection and description of remedial actions to be taken by Exxon if the limits of safe yield are exceeded;
- (13) Contribution to local water development projects within the County in proportion to impacts, including growth, attributable to the project.

The Commission found that the impacts to land resources, including groundwater and habitat areas, was adequately mitigated by the above measures, and that the project was therefore consistent with Sections 30231, 30250, 30254, 30240, and 30236.

F. <u>Visual and Scenic Resources</u>. Section 30251 addresses visual and scenic resources, and Section 30240(b) addresses recreation. The project was located adjacent to two heavily used State beaches, along a stretch of coastline noted for its scenic beauty. Exxon provided the following mitigation measures to reduce visual impacts:

- (1) Extensive plantings and landscaping to screen onshore facilities and restore disturbed areas to natural conditions to the extent feasible;
- (2) Painting of visible structures, subject to the review of the Santa Barbara County Board of Architectural Review, to blend in to surroundings as much as possible;
- (3) Removal of the existing OS&T, which would have the benefit of reducing the number of offshore industrial structures visible from shore.

The Commission found that scenic views along the Santa Barbara coastline were a resource of public importance, and parks, tourism and recreation industries relied heavily on the natural scenic quality of the coast. With the landscaping and other mitigation of visual impacts, and the fact that the facilities would be screened somewhat by their location within canyons, the Commission found the onshore facilities consistent with Section 30251. While the visual impacts of the proposed marine terminal would be adverse and significant, and therefore inconsistent with Section 30251, the project would be mitigated to the maximum extent feasible through the Commission's subsequent permit conditions. Therefore, the Commission found the project consistent with Section 30260(3).

- G. Public Access and Recreation. Sections 30210, 30211, 30212, and 30252 address public access; Section 30213 and Section 30240(b) address recreation. The nearshore to onshore pipeline construction would occur in an area flanked by two popular State beaches. This would impede lateral access and adversely impact public recreation during the three-month construction period. The need for worker accommodations for the project might also adversely impact the availability of lower cost recreation and visitor facilities. Exxon provided following mitigation measures as part of the DPP: pipeline construction would occur during the winter months of October to March; (2) Exxon would provide vertical access to the beach adjacent to the project site and would maintain the access for five years; (3) Exxon would reconstruct the existing bike path between El Capitan and Refugio State Beach Parks; and (4) Exxon would implement a socio-economic monitoring and mitigation program to address the project's impacts on temporary housing needs, particularly for park campsites, RV parks and other low cost visitor accommodations. these mitigation measures, the Commission found the project was consistent with public access and recreation policies, except possible weekend and holiday disturbance. The Commission determined that any unresolved impacts, including potential noise impacts on recreational beach use, could be addressed through permit conditions at the coastal permit stage of the project.
- H. Archaeological Resources. Section 30244 addresses cultural resources. Archaeological resource areas were located throughout the onshore project site. Exxon provided the following mitigation measures to address potential adverse impacts on cultural resources: (1) monitoring of construction activities; (2) surface artifact collection; (3) variable percentage recovery and preservation of artifacts; (4) detailed mapping and photographic records; (5) subsurface testing; and (6) proportional contribution to fund development of a Cultural Resource Compliance Program to guide surveys and testing of cultural resources in the region, to expand curation space, to document archaeological structures, and to establish guidelines for construction monitoring and for avoidance of cultural resources. In addition, the project

as proposed included a permit condition imposed by the County of Santa Barbara which required preparation and filing of an approved Cultural Resources Management Plan with Santa Barbara County Resource Management Department. The Plan would have to meet the requirements of CEQA and the County Archaeological Guidelines, and would call for a qualified archaeologist and a representative of the local Chumash Community to be present during clearing and grading of development areas. If any cultural resources were found, the observers were to evaluate the resources and recommend appropriate mitigation. The Commission found that the above mitigation measures were sufficient to find the project consistent with Section 30244, based in part on the fact that this aspect of the project could be further addressed at the coastal permit stage.

Cumulative Impacts and Section 30260. Section 30250 addresses cumulative impacts. The Commission found that the project was inconsistent with Section 30250(a), in addition to the above-mentioned inconsistencies with Coastal Act policies, because it would have significant adverse cumulative impacts on coastal resources, including scenic quality, vehicular traffic, air traffic, commercial fishing, surface and ground water resources, habitat areas, marine resources, including threatened or endangered species, demand for public services and recreation facilities. Among other considerations, the project would increase the risk of oil spills, displace additional fishing areas, and increase overall support vessel traffic. The Commission therefore found that the project was inconsistent with Section 30250(a). However, given the Santa Barbara County siting study, which indicated that there was no feasible less environmentally damaging location for the marine terminal, the Commission found the project consistent with Section 30260(1). The Commission determined that impacts were mitigated to the maximum extent feasible, based on its ability to condition the project in its pending nearshore coastal permit review, and that the project therefore was consistent with Section 30260(3).

In addressing Section 30260(2), the Commission found that this project, the revised nearshore portion of Option B, could only be found to be in the public interest because of the mitigation of adverse impacts discussed above, particularly the proposed consolidation of transportation and processing facilities, and Exxon's commitment to use an onshore pipeline for transportation of SYU crude if a pipeline is available with adequate capacity to Exxon's market destination. With these considerations, the Commission found the project to be consistent with the public welfare provision of Section 30260(2).

J. <u>Consolidation</u>. Sections 30261 and 30262(b) address consolidation. Exxon explicitly stated that the marine terminal would be a consolidated marine terminal designed to meet the needs of all potential shippers of crude oil. The onshore property would also be made available to other companies on a fair and reasonable basis for consolidating processing facilities. The Commission found that the project was consolidated to the maximum extent feasible and therefore was consistent with Sections 30261 and 30262(b), in part based on its ability to condition the project in its pending review during the coastal development permit stage.

6. Related Commission Action

For a history of Commission on the Exxon SYU project, see Related Commission Action section of CC(E)-64-87/E-1-87.

7. For More Information, Refer To:

Final Staff Recommendation, dated 8/30/85.

CC-10-83 CHEVRON, POE, OCS-P 0478, 6 WELLS, FILE DATE: 04/22/83, MMS

I. Summary

The Commission concurred with Chevron's proposed POE for 6 wells on OCS-P 0478, located 14 miles south of Carpinteria. Similar to other POE's reviewed by the Commission in 1983, the applicant provided: (a) implementation of oxides of nitrogen (NOx) control measures, including injection timing retard on the drillship, and the collection of wind speed and direction, temperature, and fuel consumption data for air quality analysis; (b) the best available oil spill equipment and containment measures identified by the Commission; and (c) 24 hour manned radar or an automatic radar plotting aid. (The first of these was a project modification; the second and third were in the project as submitted.)

Chevron also modified the project to provide post-construction anchor scar smoothing and debris removal which minimized impacts to commercial fishing.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of six exploratory wells on OCS lease P 0478, about 14 miles south of Carpinteria and four miles north of the federal Marine Sanctuary around the northern Channel Islands, in the Santa Barbara Channel. Water depth: 315 to 476 feet. Offshore Unit: Anacapa. Lease Sale: 68. Drilling rig: Zapata Concord.
- 2. Commission Action and Date. Concurrence, September 29, 1983.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

A. Air Quality.

Project Modifications Made During the Consistency Review Process.

- (1) Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NO_X control measures, including injection timing retard on the drillship.

<u>Basis:</u> The Commission found the project would adversely impact onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to remedy ozone problems. The Commission found the project, with these modifications, consistent with Section 30253(3), which addresses air quality, but inconsistent with Section 30250, due to cumulative impacts. Although the Commission did not believe that the modifications fully mitigated the project's potential onshore air quality impacts, it found that the impacts would be mitigated to the maximum

extent feasible, and therefore that the project was consistent with Section 30260(3). The Commission noted, however, that long term investigation and the development of further measures would be necessary to address this issue.

B. Commercial Fishing.

Mitigation in Project As Submitted:

- (1) Identification of potential well locations, using LORAN-C coordinates, on established navigational and bathymetric charts to aid commercial fishermen in locating and avoiding restricted zones; and
- (2) Meet with local fishing associations prior to exploratory activities to inform fishermen of potential hazards associated with the exploratory project.

Project Modifications Made During the Consistency Review Process:

- (1) Minimize anchor scars and use fishermen to remedy scars caused by drilling operations; and
- (2) Retrieve any debris left on the sea floor attributable to the drilling activity.

<u>Basis:</u> Trawling activities were limited in the area of the subject lease, and the Commission found the project, as modified, would not interfere with these activities. The Commission found the project consistent with Sections 30230, 30231, and 30234, which address commercial fishing.

Department of Fish and Game Fish Blocks: 665 and 666.

4. Other Issues

- A. Oil Spills. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills, and Section 30250, which addresses cumulative impacts. However, the Commission found that the applicant had provided best available oil spill control and containment. The best available oil spill equipment and containment measures identified by the Commission consisted of:
- (1) Onsite equipment, including: (a) 1,500 feet of open ocean oil spill containment boom; (b) one skimming device capable of open ocean use; (c) bales of oil sorbent material capable of containing 15 barrels of oil; (d) a boat capable of deploying the oil spill boom on the site at all times or within fifteen minutes of the drilling vessel; and (e) oil storage capacity of 29 barrels, minimum, for recovered oil;
 - (2) Secondary response by oil spill cooperatives;
 - (3) Dedicated response vessels;
 - (4) Personnel training;
 - (5) Supervisorial training; and

(6) Equipment use training.

With these measures, the Commission found that adverse impacts had been mitigated to the maximum extent feasible, and found the project consistent with Section 30260(3).

- B. Marine Resources. The project lies along the migratory route of the California gray whale and other species of whales and dolphins which, in the event of an oil spill, could be adversely affected. Some of these animals pass in the general vicinity of the lease. Under normal operating procedures, exploratory drilling probably causes whales to detour around the drilling during the migration months (November-May). The Commission found the proposal inconsistent with Section 30230, which addresses marine resources, because of the risks of oil spills, and with Section 30250, due to cumulative impacts. Because maximum feasible mitigation had been provided (see oil spill section), the Commission found the project consistent with Section 30260(3).
- C. Water Quality/Drilling Muds. The EPA's general or "blanket" NPDES permit was to expire on December 31, 1983, soon after the Commission's action on this POE. In light of the expiration date, and the fact that the NPDES general permit did not yet cover this Lease Sale 68 lease, disposal of the drill muds and cuttings on the subject lease would not occur until, at the earliest, January 1, 1984, at which time the Commission noted it could review the overall drilling muds question more comprehensively through its review of EPA's general NPDES Permit. Therefore, pending EPA's decision to extend its general NPDES permit and subsequent Commission consistency review of the permit, the Commission deferred its review at this time on the subject project's discharge of muds and cuttings (see Section 5 below and CC-26-83).
- D. <u>Vessel Traffic Safety</u>. The relevant Coastal Act policies were Section 30262(d), which addresses vessel traffic safety, and Section 30260. The applicant proposed to provide either 24-hour manned radar or install an automatic radar plotting device to mitigate for potential hazards related to vessel traffic in the subject area. The Commission determined that the proposed measures mitigated for navigational safety problems, and that the project was consistent with Section 30260(3).
- E. <u>Geologic Hazards</u>. The Commission reviewed the applicant's geologic information, and determined the geologic risks would be minimized. The Commission therefore found the project consistent with Section 30253(1), which addresses geologic hazards.
- 5. Related Commission Action. On January 11, 1984, the Commission concurred with the reissuance of EPA's general NPDES permit (6-month duration) allowing for ocean disposal of drilling muds and cuttings, in CC-26-83. During that review, the Commission found that ocean disposal of drill muds under EPA's general permit for up to six wells on the subject parcel, during the limited reissuance permit, was consistent with the CCMP.
- For Additional Information, Refer To: Staff Recommendation, dated
 September 16, 1983 (hearing date September 29, 1983).

CC-11-83 CHEVRON, POE OCS-P 0217, 5 WELLS FILE DATE: 05/20/83

I. Summary

The Commission concurred with Chevron's POE for 5 wells on OCS-P 0217, located 18 miles southeast of Santa Barbara in the Santa Barbara Channel. Similar to a number of POEs reviewed and concurred with by the Commission in 1983, the applicant provided: (a) a radar device with an audible alarm which is continuously manned or an automatic radar plotting aid; (b) use of best oil spill containment equipment identified by the Commission; and (c) implementation of oxides of nitrogen (NO $_{\rm X}$) control measures, including injection timing retard on the drillship, and the collection of wind speed and direction, temperature, and fuel consumption data for air quality analysis. (The first two of these were in the project as submitted; the third was a project modification.)

Also, the Key Singapore, a jack-up rig, was used, which minimized commercial fishing impacts.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of 5 exploratory wells on OCS-P 0217, located 18 miles southeast of Santa Barbara, in the Santa Clara unit. Platform Grace (an existing platform) is located in the southern portion of the subject lease. Water depths: 214-295 feet. Lease Sale: P4. Drill rig: the Key Singapore, a jack-up rig.
- 2. Commission Action and Date. Concurrence, September 14, 1983.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>

A. Air Quality.

Project Modifications Made During the Consistency Review Process.

- (1) Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

<u>Basis:</u> The Commission found that the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. With these modifications, the Commission found the project consistent with Section 30253(3), which addresses air quality.

4. Other Issues

A. <u>Commercial Fishing</u>. Because of the project's individual and cumulative impacts, the Commission found the proposed project inconsistent with Sections 30230, 30231, and 30234, which address commercial fishing and marine resources. Because Chevron proposed the use of a jack-up rig, the Key Singapore, the Commission found these impacts to be mitigated to the maximum extent feasible. The Commission therefore found the project consistent with Section 30260(3).

Department of Fish and Game Fish Block: 665.

- B. Marine Resources/Water Quality/Oil Spills. The Commission was concerned over the cumulative, chronic effects of drilling muds discharges, and noted it would soon be reviewing this issue in EPA's proposed extension of its general NPDES permit (see CC-26-83). Because of oil spill potential, the Commission found the project inconsistent with Section 30230, which addresses marine resources. The Commission found the project, including the NPDES permit provisions and best available oil spill measures, (for list of oil spill measures see CC-10-83), provided maximum feasible mitigation available at that time for drilling discharge impacts and oil spill impacts, and that the project was consistent with Section 30260(3). (For list of oil spill measures see CC-10-83.)
- C. <u>Geologic Hazards</u>. The Commission reviewed the applicant's geologic information, and determined the geologic risks would be minimized. The Commission therefore found the project consistent with Section 30253(1), which addresses geologic hazard.
- D. <u>Vessel Traffic</u>. The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. The Commission found that Chevron's proposal, which included 24 hour manned radar or an automatic radar plotting device, along with the project's location outside the established vessel traffic lanes and buffer zones, mitigated the navigational hazards, and that the project was consistent with Section 30260(3) on vessel traffic issues.
- 5. <u>Related Development</u> On this lease, in 1979, Platform Grace was built. It received governmental approvals prior to creation of the Commission's consistency jurisdiction.
- 6. For More Information, Refer To: Staff Recommendation, dated 9/2/83 (hearing date 9/14/83).

CC-12-83 CHEVRON, DPP, PLATFORM HERMOSA OCS-P 0316 FILE DATE: 05/19/83, MMS

I. Summary

The Commission concurred with Chevron's consistency certification for Platform Hermosa, which was the first platform in the Santa Maria Basin. The primary issues raised were how the oil would be transported and the need for consolidated facilities. Chevron committed to limited use of the Gaviota marine terminal, for only as long as a common carrier pipeline or consolidated marine terminal was not available, but no later than January 1, 1990. Chevron would transport its oil to refinery by pipeline as soon as an industry-wide pipeline to Los Angeles was available, and would take the lead in constructing such a pipeline if no other company did. Another factor in the Commission's concurrence was the consolidation of pipelines and onshore processing. Chevron sized the pipeline to shore to accommodate all the oil and gas anticipated from the Arguello Field, and to provide hookup capability for pipelines from other platforms. In addition, Chevron's onshore processing facilities at Gaviota were being designed to accommodate all the production from the Arguello Field. Chevron's original proposal for oil spill response equipment was found inadequate by the Commission because the response time would have been five to six hours; Chevron addressed this by providing another oil spill boat (eventually Mr. Clean III) at or near the site. Offshore construction was limited to April through October, thereby minimizing impacts on whale migration. Chevron agreed to reduce air emissions with control equipment and low sulfur fuel, and if subsequently required by the APCD in the context of onshore permits, to provide onshore offsets and other controls.

II. Compendium

1. Project Description.

DPP for Platform Hermosa on Lease OCS-P 0316, approximately 7.3 miles south of Point Arguello and 8.5 miles west of Point Conception in the Santa Maria Basin. Offshore unit: Point Arguello Field. Lease Sale: 48. Forty-eight well slots; Chevron planned to drill 40 development wells. The project also included two subsea oil and gas pipelines from platform to shore, continuation of the pipelines onshore to oil and gas processing facilities in Gaviota, and an ocean outfall wastewater pipeline near Gaviota.

Production was expected to peak in 1989 at 27,000 barrels per day (BPD) of oil and 28 million cubic feet per day (MMSCF/D) of gas. The previously approved processing facilities were designed to initially treat 148,000 BPD of oil and 98 MMSCF/D of gas; the ultimate capacity was expected to be 250,000 BPD of oil and 120 MMSCF/D of gas.

Commission Action and Date.

Concurrence, May 19, 1983.

3. Project Modifications Made During the Consistency Review Process

A. <u>Oil Transportation</u>.

Mitigation in Project as Submitted:

(1) Two subsea oil and gas pipelines would be constructed from the platform to shore and onshore to processing facilities.

Project Modifications Made During the Consistency Review Process:

(1) Chevron committed to long-term use of a pipeline for transportation to its El Segundo refinery, contingent on obtaining the required permits and construction of an industry-sponsored pipeline to Los Angeles. If such a pipeline was not under construction by January 1, 1986, Chevron would assume the lead role in constructing it.

Basis: Sections 30230, 30231, 30232, 30262 and 30260 address various coastal resource issues and aspects of operations, including marine resources, air quality, and consolidation. The Commission found that pipelines would provide the most environmentally protective method of oil transportation, because they would reduce the likelihood and impact of major oil spills, and would lessen adverse air quality impacts. The Commission also noted that the recent discoveries of vast quantities of oil in the Santa Maria Basin and Santa Barbara Channel would have a positive effect on the feasibility of pipeline transportation. Chevron committed to transport its oil produced from the Point Arguello Field over the long term by a common carrier pipeline when available, sized to handle all crude production from the Point Arguello Field, from Gaviota to El Segundo, and committed to take the lead to build such a pipeline if one is not proposed by another company. For the short term, prior to January 1, 1990, if certain events had not occurred, Chevron proposed to use the Gaviota marine terminal as an interim facility to transport oil by tanker to refinery destinations. After January 1, 1990, Chevron provided that any use of a marine terminal would be restricted to temporary use only if certain contingencies occurred. Because short-term transportation by tanker could occur under this scenario, resulting in a greater risk of massive spills and threats to marine resources, the Commission found the project inconsistent with Sections 30230, 30231 and 30232. The Commission further found that Chevron's assurances that a pipeline transportation system is feasible and would be made available provided maximum feasible mitigation and consolidation The Commission noted that Chevron's commitments did not for the project. preclude the transportation of Point Arguello crude to Chevron's refineries in Richmond, California or Mississippi by pipeline if the El Segundo facility is inappropriate. The Commission concluded that the transportation aspects of the project were mitigated and consolidated to the maximum extent feasible, and that the project was therefore consistent with Section 30260(3).

B. Oil Spills.

Mitigation in Project as Submitted:

- (1) A 1500 foot boom:
- (2) A skimmer:

- (3) Oil storage (small quantity);
- (4) Sorbents.

Project Modifications Made During the Consistency Review Process:

- (1) Oil sorbent for 15 barrels of crude oil:
- (2) A boat capable of deploying cleanup equipment within 15 minutes of the drillsite instead of 30 minutes, as stated in the Environmental Report (ER);
- (3) Oil storage capacity to handle skimmer throughput until the oil spill cooperative could arrive from shore with additional equipment;
- (4) An additional oil cleanup vessel (which eventually became Mr. Clean III). The vessel would be equipped with:
 - (a) 3000 feet of boom:
 - (b) Both advancing and stationary skimmers;
 - (c) 1000 barrels of oil storage available within 6 hours;
 - (d) An onboard boat to assist with boom deployment;
 - (e) Dispersant application equipment.
 - (5) Specific dispersant instructions in the oil spill contingency plan;
- (6) A test of the effectiveness and toxicity of the dispersant prior to the operation of the platform.

<u>Basis</u>: Section 30232 addresses oil spills. The Commission found the project inconsistent with that provision because, regardless of oil spill contingency planning and facilities, the ability to contain and clean up spills in the open ocean was limited. The Commission found Chevron's initial proposal inadequate, but that the above modifications agreed to by Chevron constituted maximum feasible mitigation, and that the project was consistent with Section 30260(3).

C. Marine Resources.

Mitigation in Project as Submitted:

(1) The pipeline landfall would be a sandy bottom/rocky outcrop route instead of a biologically rich rocky intertidal area.

Project Modifications Made During the Consistency Review Process:

 The crew and supply boats would follow existing routes between the Ellwood Pier and the platform;

- (2) Chevron would work with the Western Oil and Gas Association (WOGA) to incorporate educational information into the Fisheries and Environmental Training Program on how to identify gray whales and avoid any harassment by the supply and crewboat operators;
- (3) Offshore construction activities would be limited to the months of April through October so as to avoid most of the peak whale migration period;
- (4) Little work would be done within the 6,000 foot construction corridor;
- (5) The side scan sonar maps would be reviewed and all rocky areas avoided.

Basis: Sections 30230-30232 address marine resources and oil spills. The project was located within the biologically rich Point Conception offshore area. The Commission found the project raised significant marine resource issues because it would result in: (1) increases in crew and supply boats, helicopter, and tanker traffic to the marine terminal, adversely affecting marine mammals (especially grey whales) by collisions or disturbance of migration patterns; (2) adverse impacts on benthic habitats and whale migration from platform and pipeline construction; and (3) as discussed below, adverse effects on water quality from drilling discharges and on commercial fishing from construction and operation activities. Based on these impacts, the Commission found the project inconsistent with Sections 30230 to 30232 of the Coastal Act. The Commission found that the mitigation measures agreed to would minimize the impacts of the project on marine mammals and benthic habitats, and that the project provided maximum feasible mitigation and was consistent with Section 30260(3).

The Commission further found that the outfall discharge point would be located away from the kelp beds, but that the wastewaters discharged were likely to enter them. The Commission found that Chevron did not provide sufficient project details for it to analyze the impacts to marine habitats from the location and construction of the outfall, or for the nearshore portion of the oil and gas pipelines in the coastal zone. However, the Commission noted it would have the opportunity to evaluate the effects when the outfall came up for a coastal development permit, and therefore it found the project consistent with Section 30260.

Drilling Muds/Water Quality.

Mitigation In Project As Submitted:

- (1) Muds and cuttings would be discharged through a cutting chute pipe that would terminate at approximately 30 meters (100 feet) below the surface of the water;
- (2) Additives to drilling muds would be selected from EPA's approved list;
- (3) Muds would be barged to shore if they contained additives not approved by EPA or additives in concentrations that exceeded those approved by EPA;

- (4) Muds would be barged to shore if they exhibited a sheen;
- (5) Chevron agreed to locate the platform in water over 600 feet deep and away from special biological areas.

Project Modifications Made During the Consistency Review Process:

- (1) Use of chrome-lignosulfate would be avoided;
- (2) Chevron would participate in a joint industry/agency study to evaluate all available measures to mitigate the impacts of drill muds disposal and implement all feasible mitigation measures identified in the study.

<u>Basis</u>: The Commission's findings discussed the potential adverse effects from drilling muds on marine resources. The Commission noted that the EPA was planning to issue a general NPDES permit that would probably cover the drilling muds disposal from this platform. The Commission noted it would conduct a consistency review of that permit. Because of the mitigation measures and the opportunity to evaluate the NPDES permit, the Commission found the project consistent with Section 30260(3).

E. Commercial Fishing.

Mitigation in Project as Submitted:

- (1) Compensation would be provided for damaged fishing gear as a result of the project activities;
 - (2) The pipeline would be designed to minimize protrusions;
- (3) Chevron would meet with local fishermen to identify concerns and move toward determination and implementation of feasible mitigation measures.

Project Modifications Made During the Consistency Review Process:

- (1) Support boat routes from the piers between Carpinteria and Gaviota that would be outside the 30 fathom curve before proceeding west to the platform and pipeline would be established and identified to local fishermen;
- (2) A study of pipelaying methods would be completed by December 31, 1983, and a method chosen to eliminate anchor scarring or minimize it to the maximum extent feasible;
- (3) A post-construction survey would be conducted in the construction corridor and any retrievable debris would be removed.

<u>Basis</u>: The Commission found that the project would close off portions of traditional trawling grounds due to anchor scars, limit trawling and set gear operation during construction, and adversely affect the thresher shark industry. The Commission therefore found that the project would have individual and cumulative impacts on commercial fishing and was inconsistent with Sections 30230, 30231, 30234 and 30250(a), which address commercial fishing and cumulative impacts. The Commission found the project consistent

with Section 30260(1) and (3) because there were no alternative locations that were preferable, the use of an onshore pipeline was the least damaging alternative for commercial fisheries, and the pipeline and mitigation measures would reduce the impacts to the maximum extent feasible, although traditional trawl and set gear fisheries would be displaced.

Department of Fish and Game Fish Blocks: 657 and 658.

F. Vessel Traffic and Systems Safety.

Mitigation in Project as Submitted:

- (1) Blinking five-mile lights on the four corners of the facility;
- (2) A two-mile fog horn;
- (3) The platform would be painted white.

Project Modifications Made During the Consistency Review Process:

- (1) An Automatic Radar Plotting Aid, which would be used according to the following guidelines: i) within a 24-mile range a vessel would be contacted by radio and warned; ii) within a 10-mile range the observer would alert a boat or helicopter that would be permanently stationed by the platform; iii) the boat, by loudspeaker and lights, would notify approaching vessels of the platform's location;
 - (2) A rotating aircraft beacon;
 - (3) Daytime lighting when visibility was less than three miles.

<u>Basis</u>: The project raised concern about vessel traffic safety because no official vessel traffic lanes had been designated west of Point Conception in the project area, and proposed lanes might not be used, due to the savings of time and fuel that could be realized by vessels passing through the project area. In addition, there were potentially dangerous fog and wave conditions in the area.

The Commission found that although it could pose a hazard to vessel traffic, with the project modifications and the long term commitment to oil transportation by pipeline, the project did not pose a substantial hazard to vessel traffic, and was consistent with Sections 30262(d) and 30232, which address vessel traffic safety and oil spills. Also, because the project would not use a marine terminal except initially and during emergencies, the Commission found that it would provide the maximum protection against crude oil spills and was therefore consistent with Section 30232 with respect to vessel traffic.

Geologic Hazards.

Project Modifications Made During the Consistency Review Process:

(1) The platform would be designed to withstand a ductile limit of 0.3 g;

- (2) Deep seated piles would be driven several hundred feet into the seafloor below the platform and support the platform buoyantly, in order to mitigate the effects from liquefaction due to a large earthquake:
- (3) Measures would be implemented to minimize or eliminate accelerated coastal erosion that might occur in areas where the pipeline spans a canyon;
- (4) The pipeline route would be constructed to avoid areas of hydrocarbon seep and tar mounds and to minimize the impacts of shallow gas zones and gas saturated sediments.

<u>Basis</u>: The project raised concern about the potential for damage from earthquakes and resulting liquefaction in the project area, as well as possible damage resulting from subsidence, hydrocarbon seepage or accumulation, landslides, coastal erosion, and construction of pipelines across faults. The Commission found that Chevron adequately addressed the seismic issues and would mitigate, either by design or avoidance, any problems posed by geologic hazards. Therefore the Commission found the project consistent with Sections 30253(2) and 30262(a), which address geologic hazards.

H. Air Quality.

Mitigation in Project as Submitted:

- (1) Waste heat recovery to reduce the need for burning fuel in gas engines and turbines;
- (2) An inspection and maintenance program on valve, pump, flange, and compressor seals to minimize fugitive hydrocarbon emissions;
 - (3) Low NOx burners on heaters and sweetened gas fuels;
- (4) Water sprays to minimize fugitive dust during onshore construction activities;
 - (5) Low sulfur gas fuel used in the turbines (except during start-up).

Project Modifications Made During the Consistency Review Process:

- (1) NO_X emissions would be reduced by 70% at peak load, using water injection on all onshore and offshore turbines. (Chevron proposed using water injection in its submittal, but had not previously agreed to the 70% reduction level);
- (2) A gas blanketing and vapor and sulfur recovery system to reduce emissions from the oil and gas processing and storage facilities;
- (3) Low sulfur fuel to minimize SO₂ emissions on all vessels. (The submittal had not specified the use of low sulfur fuel for vessels);
- (4) A program to monitor compliance and effectiveness of installed air emissions control systems;
 - (5) Scrubbers on flare burners to reduce NO_X and SO_X emissions;

- (6) Control measures on crane and cementing engines on the platform and on supply and crew boat engines, as identified in the Air Quality Task Force Study:
- (7) Offsets and other measures to be determined through the APCD permit process.

Basis: The project raised concerns that emissions from the OCS components of the project might adversely affect onshore air quality in Santa Barbara County and hinder the County's ability to attain and maintain attainment status under the Clean Air Act, which could have adverse economic as well as environmental and public health impacts. A 1980 tracer study conducted in the Santa Barbara Channel concluded that any tracer released in the Channel is eventually transported onshore. The prevailing wind flow in the project area also indicated that offshore emissions would be transported onshore. Chevron had performed an air quality modeling analysis to determine the onshore impacts, which at the time of the Commission's review was in the process of being evaluated by the ARB and the Santa Barbara County APCD, although these agencies' preliminary review showed that the impacts were underpredicted. Because this analysis was not completed, and because of the apparent modeling deficiences, the Commission found that it lacked sufficient information to find the project consistent with Sections 30253(3), which addresses air quality, and 30250(a), which addresses cumulative impacts. However, the Commission found that with the mitigation measures above, as well as Chevron's previously discussed commitment to oil transportation by pipeline where feasible, the project provided maximum feasible mitigation and was consistent with Section 30260(3).

The Commission also discussed offsets as a feasible mitigation measure, and noted Chevron's commitment to provide onshore offsets and other controls to be provided through APCD review of a permit for onshore facilities. While the Santa Barbara County APCD expressed concern that Chevron's commitments were not sufficiently specific at that time, the Commission determined that this issue could be resolved through Chevron's future application to the APCD.

Cultural Resources.

Mitigation in Project as Submitted:

- (1) The onshore pipeline route would avoid archeological sites where possible, and where not possible, trenching operations would be monitored by a qualified archaeologist and a Native American observer:
- (2) Test excavations would be done at several designated sites prior to construction, and the research potential of the sites would be evaluated and proper mitigation measures formulated.

Project Modifications Made During the Consistency Review Process:

(1) The offshore pipeline route would be relocated to avoid shipwrecks.

<u>Basis</u>: A detailed marine cultural resources survey showed evidence of shipwrecks along the pipeline route. The Commission found that with the above mitigation measures, the project was consistent with Section 30244, which addresses archaeological resources.

J. Terrestrial Resources.

Mitigation in Project as Submitted:

- (1) The disturbed terrain along the pipeline route would be compacted and restored to its original contours, and the disturbed areas would be seeded, where required, with native vegetation;
- (2) Erosion controls, including building water diversion terraces where erosion appeared likely.

Project Modifications Made During the Consistency Review Process:

- (1) Erosion controls, including construction of pipeline crossings during periods when streams were low or dry to minimize the need for temporary water diversions, and restoration of disturbed banks of water courses, using reinforcement with earth-filled bags or rocks when necessary;
- (2) Siting of permanent structures, other than pipelines, would be avoided in environmentally sensitive habitat areas;
- (3) Construction and fill in the environmentally sensitive area of Canada Alcatraz would be discontinued and existing roads would be used;
- (4) Eucalyptus trees that would be removed during grading and terracing of the site would be replaced, trees used by Monarch butterflies would not be removed, and a monitoring program would be provided by an entomologist to ensure that the facility construction and operation would have no adverse effect on the Monarch butterflies using the site:
- (5) Only that amount of water necessary to operate the plant would be produced so that overdrafting would not adversely affect nearby riparian vegetation, a testing program would be conducted to determine safe yield and water quality of the aquifer to be used, and fresh water would be imported in sufficient quantities to bring water well consumption to a safe yield.

Basis: The project raised concerns about the effects of the onshore pipeline on habitat along stream corridors, and the effects of constructing onshore oil and gas processing facilities at Gaviota on three riparian corridors, streams, disturbed grassland habitat, open space wildlife habitat, and trees used by Monarch butterflies. The project also raised concerns about groundwater extraction, which would cumulatively contribute to the existing overdraft problem in Santa Barbara County and which could cause downdraft of aquifers, result in shortened yearly streamflows, and adversely affect streamside vegetation. With all of the mitigation measures, the Commission found the project consistent with Sections 30231, 30236, 30240, 30250, and 30262, which address coastal waters, environmentally sensitive habitat, and cumulative impacts and consolidation.

K. Visual Impacts and Public Access and Recreation.

Project Modifications Made During the Consistency Review Process:

For Visual Impacts:

- (1) All removed trees would be replaced with identical species in other locations sited to screen the facility from public view;
- (2) Berms and colors would be used to screen or mask views from Highway 101 and new, semi-mature trees would be planted along the CalTrans right-of-way.

For Public Access Impacts:

(1) Dedication of a lateral public access hiking easement over its 1500 acre parcel at Point Conception. The commitment for a public pathway would be implemented when Chevron applied to the County for a coastal development permit.

<u>Basis</u>: The project raised concerns about the visual impacts of both offshore and onshore portions of the project from beaches and along Highway 101, and significant impacts on public access, in the short term from the construction of onshore and offshore facilities and pipelines, and in the long term from ongoing maintenance and repair work. The Commission found that the offshore platform would cause a permanent visual impact on the scenic and recreational qualities of the area, and was inconsistent with Section 30251, which addresses visual resources, but consistent with Section 30260(1), because the platform required that particular location in order to function. The onshore portions of the project, at the Gaviota processing site, were found consistent with Section 30251. Because of Chevron's commitment to build a public pathway, the Commission found the project consistent with Sections 30210-30212 and 30252, which address public access and recreation.

Other Issues.

A. Consolidation.

Sections 30260, 30262, and 30250 of the Coastal Act address consolidation of facilities. The Commission found that these sections were satisfied by the project because the pipelines to shore would be sized to accommodate oil from the other up to three anticipated platforms producing oil in the Point Arguello area, and because the onshore Gaviota processing facilities were also designed to process production from the entire Point Arguello area. The Commission noted that the Gaviota facility would be adjacent to an existing industrial facility.

B. Compatibility with the County LCP.

With respect to associated onshore facilities, the Commission noted that major planning efforts in the LCP focused on the need for facility consolidation and transportation of oil by pipeline. The Commission also noted that the County was in the process of attempting to plan for the rapidly expanding volume of offshore oil from the Santa Barbara Channel and Santa Maria Basin through: undertaking of pipeline feasibility studies, analysis of siting alternatives

for crew and supply bases, and analysis of consolidation potential of onshore processing facilities and marine terminals. Because of the consolidation discussed in the previous paragraph, combined with Chevron's commitment to use pipelines and only use a marine terminal on a temporary limited basis, the Commission noted the project was compatible with the policies and direction of the LCP.

5. Related Commission Action.

The Commission subsequently concurred with consistency certifications for two nearby platforms in the project area: CC-27-83 (Platform Harvest) and CC-24-84 (Platform Hidalgo). The Commission also subsequently approved permits with conditions for two related onshore facilities. In CC-36-87/E-87-4, the Commission authorized the Gaviota Interim Marine Terminal, on August 26, 1987 (see CC-36-87). In permit actions on appeal from Santa Barbara County (see A-4-STB-84-91/E-85-2/A-E-85-12), the Commission granted permits with conditions for Chevron's Gaviota onshore processing facilities.

6. For More Information, Refer To:

Final Staff Recommendation, hearing date November 15, 1983.

CC-14-83 READING AND BATES, POE OCS-P 0415, 0416, 0421 & 0422, 14 WELLS FILE DATE: 07/29/83,MMS

I. Summary

The Commission concurred with Reading and Bates' proposed POE for 14 exploratory wells on four leases in the northern Santa Maria Basin, southwest of Point Sal. Similar to a number of POEs in the Santa Maria Basin reviewed and concurred with by the Commission in 1983, the applicant provided: (1) a 24-hour radar alarm device; (2) the best available oil spill control and containment equipment identified by the Commission; (3) wind speed and direction, temperature and fuel consumption data for air quality analysis; (4) interim NOx control measures (including injection timing retard on the drillship); and (5) participation in an onshore oil spill equipment deployment drill if one is found necessary by the Commission. (The second and fifth of these were in the project as submitted; the first, third and fourth were project modifications.)

In addition, the applicant provided commercial fishing mitigation in the form of timing restrictions to minimize conflicts with trawling.

II. Compendium

Project Description

POE, consisting of exploratory 14 wells on OCS-P 0415, 0416, 0421, and 0422, located 12 to 14 miles southwest of Point Sal, in the northern Santa Maria Basin. Water depths: 250 to 530 ft. Drillship: the Jim Cunningham, a semi-submersible rig. Lease Sale: 53. Offshore unit: Point Sal Unit.

- Commission Action and Date. Concurrence, December 1, 1983.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process:</u>

A. Vessel Traffic Safety.

Project Modifications Made During the Consistency Review Process.

(1) A 24-hour radar alarm device.

<u>Basis</u>: The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. The Commission was concerned over navigational safety because of the lack of any designated vessel traffic corridors in the Santa Maria Basin, as well as frequent reduced visibility in the area due to foggy and stormy weather. The Commission found that the above modification constituted mitigation of the hazards posed by the project to the maximum extent feasible. The Commission found the project consistent with Section 30260(3).

B. Commercial Fishing

Project Modification Made During the Consistency Review Process.

- (1) A mitigation program for the wells to be located in the shrimp area, which consisted of drilling of those wells without interference with the trawlers (i.e., avoiding June and July);
 - (2) Notification to fishermen of precise anchor plans;
- (3) Requiring oil company personnel to participate in the Fisheries Training Program; and
- (4) Surveying each well site and removing debris that could affect fishing gear.

<u>Basis</u>: Sections 30230, 30231 and 30234 address commercial fishing and marine resources. The project area was an important trawling grounds. The applicant agreed to the above modifications, which reduced impacts on commercial fishing. Because of residual impacts, the Commission found the project inconsistent with Sections 30230 and 30231, as it would still interfere with the rock-groundfish and halibut trawlers. However, the Commission found the fisheries impacts were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Blocks: 632, 633, 638, and 639.

C. Air Quality.

Project Modifications Made During the Consistency Review Process.

- (1) Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

<u>Basis</u>: The Commission found the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

4. Other Issues

A. Marine Resources/Water Quality/Oil Spills. The Commission was concerned over the cumulative, chronic effects of drilling muds discharges, and noted it would soon be reviewing this issue in EPA's proposed extension of its general NPDES permit (see CC-26-83). Because of oil spill potential, the Commission found the project inconsistent with Section 30230, which addresses marine resources. The Commission found the project, including the NPDES

permit provisions and best available oil spill measures, (for list of oil spill measures see CC-10-83), provided maximum feasible mitigation available at that time for drilling discharge impacts and oil spill impacts, and that the project was consistent with Section 30260(3). (For list of measures see CC-10-83.)

- B. <u>Geologic Hazards</u>. The Commission reviewed the geologic hazards map and shallow gas survey and found the project consistent with Section 30253(1), which addresses geologic hazard.
- 5. For More Information, Refer To: Staff Recommendation, dated 11/18/83 (hearing date 12/1/83).

CC-15-83 TEXACO, POE OCS-P 0494, 0496, 11 WELLS FILE DATE: 09/02/83, MMS

I. Summary

The Commission concurred with Texaco's POE for 11 wells on OCS-P 0494 and 0496, 17 miles northwest of Point Arguello in the central Santa Maria Basin. Similar to other POEs reviewed by the Commission in 1983 and 1984, the applicant provided: (a) automatic radar plotting (a vessel traffic safety issue); (b) use of best available oil spill equipment, and participation in the onshore oil spill equipment deployment drill if one is found necessary by the Commission; (c) collection of wind speed, direction, temperature and fuel consumption data; and (d) use of the "interim" NO $_{\rm X}$ control measures (i.e., 4 degree injection timing retard on the drillship). (The second of these were in the project as submitted; the first, third and fourth measures were project modifications.)

An additional issue was raised concerning conflicts with commercial fishing; Texaco committed to performing a post-construction survey and debris removal program.

II. Compendium

1. Project Description

POE, consisting of eleven exploratory wells on two leases, P-0494 and 0496, about seventeen miles northwest of Point Arguello in the central Santa Maria Basin. Offshore unit: Point Pedernales Unit. Water depths: 880 to 1,430 feet. Lease Sale: RS-2. Drillship: Diamond M. General.

2. Commission Action and Date

Concurrence, December 1, 1983.

3. <u>Issues Involving Project Modifications Made During the Consistency Review</u> Process

A Air Quality.

Project Modifications Made During the Consistency Review Process:

- (1) Interim NO_X control measures recommended by ARB, such as injection timing retard on the drillship, would be implemented;
- (2) Wind speed and direction, temperature, and fuel consumption data would be collected for air quality analysis.

<u>Basis</u>: The Commission found the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the

Commission found the project inconsistent with Section 30253(3), which addresses air quality, and Section 30250, which addresses cumulative impacts. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3). The Commission expressed concern that research continue on measures to reduce pollutant emissions.

B. Commercial Fishing.

Project Modifications Made During the Consistency Review Process:

(1) Texaco would survey the drill sites by either side scan sonar or by dragging, and remove any artificial obstructions resulting from the drilling that could damage fishing gear.

<u>Basis</u>: The Commission found the project would adversely affect trawl fishing for rockfish and flatfish. The Commission found that with the mitigation measure above, which addressed this issue, the project conformed with Sections 30230 and 30231, which address commercial fishing.

Department of Fish and Game Fish Blocks: 639 and 645.

C. <u>Vessel Traffic Safety</u>.

Project Modifications Made During the Consistency Review Process:

(1) An automatic radar plotting device.

<u>Basis</u>: The relevant Coastal Act policies were Section 30262(d), which addresses vessel traffic safety, and Section 30260. Although the Commission was concerned about vessel traffic safety because no designated vessel traffic lanes existed in the Santa Maria Basin, it determined that maximum feasible mitigation had been provided and found the project consistent with Section 30260(3).

4. Other Issues

- A. Marine Resources/ Water Quality. The Commission found the proposal inconsistent with Sections 30230 and 30250 because of the lack of protection from potential oil spills and the potential impact of drilling discharges. Disposal of drill muds and cuttings on the subject lease would be allowed under the NPDES permit until it expired on Dec. 31, 1983. The Commission found that provisions of the permit may not sufficiently protect the marine environment but constituted maximum feasible mitigation, pending review of new information, and that the project was therefore consistent with Section 30260(3). The Commission stated that it would continue to examine the issue of drill muds and cuttings disposal, through future reviews including review of EPA NPDES permits.
- B. <u>Oil Spills</u>. The Commission found the project inconsistent with Sections 30232, which addresses oil spills, and 30250, which addresses cumulative impact, because of the limited capability of state-of-the-art oil spill equipment. Texaco provided for use of the best available oil spill

control and containment equipment (for list of measures, see CC-10-83), and to participate in additional oil spill response drills if one were to be called by the Commission. The Commission found that maximum feasible mitigation was provided and that the project complied with Section 30260(3).

- C. <u>Geologic Hazards</u>. No significant geologic issues were raised, and the Commission found the project consistent with Section 30253(1), which addresses geologic hazards.
- 5. For More Information, Refer To: Staff Recommendation, dated 11/18/83 (hearing date 12/1/83).

CC-16-83 CHEVRON, POE OCS-P 0473, 0474, 8 WELLS FILE DATE: 09/02/83, MMS

I. Summary

The Commission concurred with Chevron's proposed POE for 8 wells on OCS-P 0473 and 0474, located ten miles north of the northern Channel Islands, in the eastern Santa Barbara Channel. Similar to other POEs reviewed in 1983, the applicant incorporated into the POE: (a) implementation of oxides of nitrogen (NOx) control measures, including injection timing retard on the drillship, and the collection of wind speed and direction, temperature, and fuel consumption data for air quality analysis; (b) the best available oil spill equipment and containment measures identified by the Commission; and (c) 24 hour manned radar or an automatic radar plotting aid. (The first of these was a project modification; the second and third were in the project as submitted.)

Chevron also modified the project to provide post-construction anchor scar smoothing and debris removal to minimize impacts to commercial fishing.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of eight exploratory wells on OCS leases P 0473 and 0474, ten miles north of the northern Channel Islands, in the eastern Santa Barbara Channel. Water Depth: 220 to 325 feet. Offshore unit: Anacapa Unit. Lease Sale: 68. Drill rig: Glomar Coral Sea.
- 2. Commission Action and Date. Concurrence, December 1, 1983.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

Air Quality.

Project Modifications Made During the Consistency Review Process.

- (1) "Interim" nitrogen oxides (NOx) control measures (such as injection timing retard) identified in the Air Quality Task Force study, once implementation is approved by the American Bureau of Shipping;
- (2) Devices installed on the drilling vessel to gather data on fuel consumption and NOx emissions from activities, and the collection of data on wind speed, direction and temperature.
- <u>Basis:</u> The Commission found that the project would result in adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality, and Section 30250, which addresses cumulative impacts. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

B. Commercial Fishing.

Mitigation in Project As Submitted:

- (1) The identification of potential well locations, using LORAN-C coordinates, on established navigational and bathymetric charts to aid commercial fishermen in locating and avoiding restricted zones;
- (2) Meet with local fishing associations prior to exploratory activities to inform fishermen of potential hazards associated with the exploratory project;
 - (3) Leave no equipment protruding above seafloor after well abandonment;
- (4) Compensate fishermen for gear loss, if losses were attributable to Chevron's anchoring procedures, or if accidental equipment losses resulted in seafloor obstructions, thus causing damage to fishing nets.

Project Modifications Made During the Consistency Review Process:

- (1) Take all necessary steps to avoid anchor scars and use local fishermen, where possible, to remedy scars which may occur as a result of drilling operations; and
- (2) Retrieve any debris left on the sea floor attributable to the drilling activity.

<u>Basis:</u> Commercial fishermen engage in year-round trawling for flatfish and ridgeback shrimp in the project area, and gillnet and purse seine fishing for anchovy also takes place in this area. However, the Commission found no significant fishing issues were raised, and that the project, with the modifications, was consistent with Sections 30230, 30231, and 30234, which address commercial fishing.

Department of Fish and Game Fish Blocks: 665 and 666.

4. Other Issues

- A. Oil Spills. Due to the limitations in oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills, and Section 30250, which addresses cumulative impacts. However, the Commission found that the applicant had provided best available oil spill control and containment (for list of measures see CC-10-83), and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).
- B. Marine Resources. The project lies along the migratory route of the California gray whale and other species of whales and dolphins which, in the event of an oil spill, could be adversely impacted. The Commission found the proposal inconsistent with Section 30230, which addresses marine resources, and Section 30250, which addresses cumulative impacts. Because maximum feasible mitigation for oil spills had been provided, the Commission found the project consistent with Section 30260(3).

- C. Water Quality/Drilling Muds. The EPA's general or "blanket" NPDES permit was to expire on December 31, 1983, soon after the Commission's action on this POE. In light of the expiration date, and the fact that the NPDES general permit did not yet cover these Lease Sale 68 leases, disposal of drill muds and cuttings on the subject lease would not occur until, at the earliest, January 1, 1984, at which time the Commission noted it could review the overall drilling muds question more comprehensively through its review of EPA's general NPDES Permit. Therefore, pending EPA's decision to extend its general NPDES permit and subsequent Commission consistency review of the permit, the Commission deferred its review at this time on the subject project's discharge of muds and cuttings (see Section 5 below and CC-26-83).
- D. <u>Vessel Traffic Safety</u>. The relevant Coastal Act policies were Section 30262(d), which addresses vessel traffic safety, and Section 30260. The applicant proposed to provide either 24-hour manned radar or install an automatic radar plotting device to mitigate for potential hazards related to vessel traffic in the subject area. The Commission determined that the proposed measures mitigated navigational safety problems, and that the project was consistent with Section 30260(3).
- E. <u>Geologic Hazards</u>. The Commission reviewed the applicant's geologic information, and determined the geologic risks would be minimized. The Commission therefore found the project consistent with Section 30253(1), which addresses geologic hazards.
- 5. <u>Related Commission Action</u>. On January 11, 1984, in CC-26-83, the Commission concurred with the reissuance of EPA's general NPDES permit (6-month duration) allowing for ocean disposal of drilling muds and cuttings on this lease. During that review, the Commission found that ocean disposal of drill muds under EPA's general permit for up to eight wells on the subject parcel was consistent with the CCMP.
- 6. For Additional Information, Refer To: Staff Recommendation, dated November 18, 1983 (hearing date December 1, 1983).

CC-19-83 CHEVRON, POE OCS-P 0366, 5 WELLS FILE DATE: 09/16/83, MMS

I. Summary

The Commission concurred with Chevron's proposed POE for 5 wells on OCS-P 0366, located approximately 17 miles south of Long Beach and between the VTSS (Vessel Traffic Separation Scheme) lanes. Similar to other POE's reviewed by the Commission in 1983, the applicant provided: (a) implementation of oxides of nitrogen (NOx) control measures, including injection timing retard on the drillship, and the collection of wind speed and direction, temperature, and fuel consumption data for air quality analysis; (b) the best available oil spill equipment and containment measures identified by the Commission; and (c) 24 hour manned radar or an automatic radar plotting aid. (These measures were provided as project modifications.)

Chevron also modified the project to assure that supply boats would travel in the existing vessel traffic (VTSS) lanes, which minimized adverse effects on commercial fishing and vessel traffic safety.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of five (5) exploratory wells on OCS lease P 0366, about 17 miles south of Long Beach, in between the VTSS lanes, in San Pedro Bay. Water depth: 1370 to 1640 feet. Offshore Unit: Beta. Lease Sale: 48. Drill rig: Glomar Coral Sea.
- Commission Action and Date. Concurrence, January 25, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

A. Oil Spills.

Mitigation in Project As Submitted:

(1) Containment and clean-up procedures, including onsite oil spill and containment equipment, personnel and supervisorial training and cooperation with oil spill cooperatives which dedicated the assistance of oil spill response vessels in the event of an emergency, pursuant to the Oil Spill and Contingency Plan for the Santa Barbara Channel OCS leases, approved by MMS in compliance with OCS Order No. 7.

Project Modifications Made During the Consistency Review Process:

- (1) Best available oil spill equipment and containment measures identified by the Commission (for list of measures, see CC-10-83); and,
- (2) Participation in an oil spill equipment deployment drill if found necessary by the Commission.

<u>Basis</u>: Due to limitations of oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills, and Section 30250, which addresses cumulative impacts. With the above modifications, the Commission found that the applicant had provided best available oil spill control and containment, that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

B. Air Quality.

Project Modifications Made During the Consistency Review Process.

- (1) Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

<u>Basis:</u> The Commission found the project would result in adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality, and Section 30250, which addresses cumulative impacts. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

Commercial Fishing.

Project Modifications Made During the Consistency Review Process:

(1) Supply boats would remain in existing VTSS traffic lanes to minimize conflict with commercial fishing operations.

<u>Basis</u>: Anchovy, squid and swordfish are caught by purse seine fishing in the project area. Chevron incorporated the above modification into the project, addressing the concern that the project could interfere with commercial purse seine fishing operations. The Commission found the project, as modified, consistent with Sections 30230, 30231, and 30234, which address commercial fishing. The Commission found the project inconsistent with Section 30250, which addresses cumulative impacts, but, with the modification, consistent with Section 30260(3), because maximum feasible mitigation had been provided.

Department of Fish and Game Fish Block: 759.

D. Vessel Traffic Safety.

Mitigation in Project As Submitted:

(1) Notification of the Coast Guard 120 days prior to the beginning of drilling activities, for operations within two nautical miles of shipping lanes (VTSS lanes); and

(2) Location of the drilling sites in the two-mile wide Separation Zone, more than 500 meters away from the edge of the shipping lanes.

Project Modifications Made During the Consistency Review Process:

- (1) Routing all supply and crew boats, traveling in and out of Long Beach, through regular shipping lanes, when possible; and
- (2) Operation of a 24-hour radar device with an audible alarm or an automatic radar plotting device.

<u>Basis</u>: The relevant Coastal Act policies were Section 30262(d), which addresses vessel traffic safety, and Section 30260. As proposed, the proposed drilling sites were located in the Separation Zone of the VTSS, which could potentially conflict with transiting vessels. The Commission was particularly concerned with temporary structures within 500 meters of the edge of the VTSS traffic lane; however the applicant was not proposing any drill sites within 500 meters of the edge of the lane. The Commission found that with the above measures and modifications, the project was consistent with Section 30260.

4. Other Issues

- A. Marine Resources. The project lies along the migratory route of the California gray whale and other species of whales and dolphins which, in the event of an oil spill, could be adversely impacted. Some of these animals pass in the general vicinity of the lease. Under normal operating procedures, exploratory drilling probably causes whales to detour around the drillings during the migration months (November-May). The Commission found the proposal inconsistent with Section 30230, which addresses marine resources, because of the risks of oil spills. Because maximum feasible mitigation had been provided (see oil spill section), the Commission found the project consistent with Section 30260(3).
- B. <u>Drilling Muds and Cuttings</u>. Due to concerns over the adverse effects of discharges on marine resources, the Commission found the proposal inconsistent with Section 30230, which addresses marine resources, and Section 30250, which addresses cumulative impacts. However, the Commission found that maximum feasible mitigation was provided and that the project was consistent with Section 30260(3), for the following reasons: 1) the well-site was located offshore in deep waters and on a mud and silty clay bottom with no rocky outcrops; 2) the EPA study being conducted for the five-year general NPDES permit (regulating drill mud and cuttings discharge) not yet complete would, upon completion, provide evidence by which to assess the impact of the discharges on the long-term health and productivity of the affected marine environment; and 3) both the limited duration (6 months) and conditions of the NPDES general permit reduced environmental impacts on marine resources.
- C. <u>Geological Hazards</u>. The well-site locations are approximately one mile from the nearest active fault, and the Commission determined the risks would be minimized and found the project consistent with Sections 30253(1) and Section 30262(a), which address geologic hazards.
- 5. For Additional Information, Refer To: Staff Recommendation, dated January 25, 1984.

CC-21-83 CHAMPLIN, POE OCS-P 0472, 8 WELLS FILE DATE: 10/06/83, MMS

I. Summary

The Commission concurred with Champlin's POE for 7 wells on OCS-P 0472, located approximately 13.5 miles south-southeast of Santa Barbara. Similar to other POE's the Commission reviewed and concurred with in 1983, the applicant incorporated into the POE: (a) implementation of oxides of nitrogen (NOX) control measures, including injection timing retard on the drillship, and the collection of wind speed and direction, temperature, and fuel consumption data for air quality analysis; (b) use of best available oil spill containment and cleanup equipment; and (c) an automatic radar plotting device. (The first of these was a project modification; the second and third were in the project as submitted.)

To address commercial fishing, Champlin also modified the project to include drilling during the winter months to minimize impacts to drift gill net fishing, use of common support vessel routes, and relocation of anchor buoys to within 750 ft. of the drillship.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of seven exploratory wells on OCS lease P 0472 about 13.5 miles south-southeast of Santa Barbara, offshore of Santa Barbara County, in the eastern Santa Barbara Channel. Water depth: 305 to 450 feet. Offshore Unit: Anacapa. Lease Sale: 68. Drilling rig: Glomar Atlantic.
- Commission Action and Date. Concurrence, November 15, 1983.
- 3. Issues Involving Project Modifications Made During the Consistency Review.
 - A. Air Quality.

Project Modifications Made During the Consistency Review Process:

- Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

<u>Basis</u>: The Commission found the project would result in adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation. Although the Commission did not believe that the modifications fully mitigated the project's potential impacts on onshore air quality, it concluded that these measures brought the project into conformity with Section 30253(3), which addresses air quality. The Commission found the project inconsistent with Section 30250, due to the project's

cumulative impact on air quality, but, as modified, it found the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3). The Commission noted that long term investigation and further measures would need to be developed to address this issue.

B. <u>Commercial Fishing</u>.

Mitigation in Project as Submitted:

- (1) Minimize damage to nets and trawls caused by either unrecoverable equipment left on the ocean bottom or debris accidentally dropped overboard, and minimize impacts on fish stocks associated with large spills and chronic pollution through compliance with MMS regulations, Orders and Notice to Lessee; and.
- (2) Use existing berthing space in Port Hueneme already dedicated to offshore oil and gas exploration and development activities to mitigate for competition for onshore berthing space and marine services.

Project Modifications Made During the Consistency Review Process:

- (1) Designate common routes for all supply vessels operating out of Point Hueneme to eliminate vessel interference with rock crab fishing or damage to rock crab fishing gear;
 - (2) Locate anchor buoys no more than 750 feet from the drilling vessel;
- (3) Initiate drilling activities during the winter season when drift fishing is not at its peak; and
- (4) Coordinate meetings with fishermen to disseminate information regarding locations and dates of planned operations.

<u>Basis:</u> Sections 30230, 30231 and 30234, address commercial fishing. The subject lease is located where northern anchovy, rock crab and thresher shark harvesting and year-round trawling, gillnetting and purse seine fishing occur. The applicant provided the above modifications, which responded to the fishing issues raised. Because of residual impacts on commercial fishing, the Commission found the project inconsistent with Sections 30230, 30231, 30234 and Section 30250, which address cumulative impacts. However, the Commission found the fisheries impacts were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Block: 666.

4. Other Issues

A. Oil Spills. Due to the limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills, and Section 30250, which addresses cumulative impacts. However, the Commission found that the applicant had provided best available oil spill control and containment (for list of

measures see CC-10-83), and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

- B. Marine Resources. The project lies along the migratory route of the California gray whale and other whale and dolphin species which, in the event of an oil spill, could be adversely impacted. The Commission therefore found the proposal inconsistent with Section 30230, which addresses marine resources, and Section 30250, which addresses cumulative impacts. In light of the maximum feasible mitigation of oil spills provided, the Commission found the project consistent with Section 30260(3).
- C. Water Quality/Drilling Muds. The expiration date of EPA's general or "blanket" NPDES permit was December 31, 1983, soon after the Commission's action on this POE. In light of the expiration date, and the fact that the NPDES general permit did not yet cover this Lease Sale 68 lease, disposal of drill muds and cuttings on the subject lease would not occur until, at the earliest, January 1, 1984, at which time the Commission noted it could review the overall drilling muds question more comprehensively through its review of EPA's general NPDES Permit. Therefore, pending EPA's decision to extend its general NPDES permit and subsequent Commission consistency review of the permit, the Commission deferred its review at this time on the subject project's discharge of muds and cuttings (see Section 5 below and CC-26-83).
- D. <u>Vessel Traffic Safety</u>. Section 30262(d), which addresses vessel traffic safety, and Section 30260, were the relevant Coastal Act policies. The subject site is located in the Santa Barbara Channel, 2.5 miles from the existing Vessel Traffic Separation Scheme where substantial vessel traffic, foggy or stormy weather exists several months of the year and the use of the lanes is voluntary. As a result, vessels transit outside the lanes, and the presence of temporary structures represents a hazard to navigation and poses the risk of oil spills. The applicant proposed to provide either 24-hour manned radar or install an automatic radar plotting device. The Commission found this would mitigate potential hazards related to vessel traffic in the subject area, and that the project was consistent with Section 30260(3).
- E. <u>Geologic Hazards</u>. The Commission reviewed the applicant's geologic information, and determined the geologic risks would be minimized. The Commission therefore found the project consistent with Section 30253(1), which addresses geologic hazards.
- 5. <u>Related Commission Action</u>. On January 11, 1984, in CC-26-83, the Commission concurred with the reissuance of EPA's general NPDES permit (6-month duration) allowing ocean disposal of drilling muds and cuttings on the subject lease. In that review, the Commission found that ocean disposal of drill muds on the subject parcel was consistent with the CCMP, under EPA's general permit for up to seven wells, during the period for which the permit was reissued.
- 6. <u>For More Information, Refer To</u>: Staff Recommendation, dated November 4, 1983 (hearing date November 15, 1983).

CC-23-83 GULF, POE OCS-P 0488, 5 WELLS FILE DATE: 10/06/83, MMS

I. Summary

The Commission concurred with Gulf's POE for 5 wells on OCS-P 0488, located 3.6 miles southwest of Huntington Beach. Similar to a number of POEs reviewed and concurred with by the Commission in 1983, the applicant provided: (a) an automatic radar plotting aid; (b) use of best oil spill containment equipment identified by the Commission; and (c) implementation of oxides of nitrogen (NO $_{\rm X}$) control measures, including injection timing retard on the drillship, and the collection of wind speed and direction, temperature, and fuel consumption data. (The first two of these were in the project as submitted; the third was a project modification.)

In addition, Gulf agreed to not drill two of the wells, whose location was of particular concern with respect to commercial fishing, during April through July.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of five exploratory wells on OCS lease P 0488, located offshore of Huntington Beach, Orange County, adjacent to the Beta Unit in the San Pedro Bay area. Water depths ranged from 130 to 480 feet. Drillship: Key Singapore, a jack-up rig. Lease Sale: 68.
- 2. Commission Action and Date. Concurrence, January 11, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>

A. Air Quality.

Project Modifications Made During the Consistency Review Process:

- Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

<u>Basis:</u> The Commission found the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

B. Commercial Fishing.

Project Modifications Made During the Consistency Review Process:

(1) Avoid drilling wells A and E during April through July to minimize conflicts with the gillnet fishermen.

<u>Basis:</u> Sections 30230, 30231 and 30234 address marine resources, including commercial fish species. Gulf agreed to not drill two of the wells, whose location was of particular concern with respect to commercial fishing, during April through July. The Commission found the project, as modified, would avoid conflicts with gillnet fishing and would be consistent with these policies.

Department of Fish and Game Fish Block: 739.

4. Other Issues

- A. Marine Resources/Water Quality. The lack of effective oil spill clean up capabilities, and potential impacts from drilling muds discharges, led the Commission to conclude that the project would adversely affect marine resources. The Commission found the project inconsistent with Section 30230, which addresses marine resources. However, the Commission found that the applicant had demonstrated that adverse impacts would be mitigated to the maximum extent feasible and that the project was consistent with Section 30260(3).
- B. Oil Spills. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. However, the Commission found that the applicant had provided best available oil spill control and containment (For list of measures see CC-10-83). Because adverse impacts had been mitigated to the maximum extent feasible, the Commission found the project consistent with Section 30260(3).
- C. <u>Geologic Hazards</u>. The Commission reviewed the geologic hazards map and shallow gas survey and found the project consistent with Section 30253(1), which addresses geologic hazard.
- D. <u>Vessel Traffic Safety</u>. The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. The Commission found that Gulf's agreement to use an automatic radar plotting device, along with the project's location outside the established vessel traffic lanes and buffer zones, mitigated the navigational hazards, and that the project was consistent with Section 30260(3) on vessel traffic issues.
- 5. For More Information, Refer to: Staff Recommendation, dated 12/29/83.

CC-25-83 CONOCO, POE OCS-P 0339, 0340, 4 WELLS FILE DATE: 11/09/83, MMS

I. Summary

The Commission concurred with Conoco's POE for 4 wells on OCS-P 0339 and 0440, ll miles south of Point Conception and 10 miles north of San Miguel Island in the Santa Barbara Channel. Similar to a number of POEs concurred with by the Commission in 1983 and 1984, Conoco provided: (a) an automatic radar plotting aid; (b) use of best oil spill containment equipment identified by the Commission; and (c) implementation of oxides of nitrogen (NO_X) control measures, including injection timing retard, and the collection of wind speed and direction, temperature, and fuel consumption data. (The first two of these were in the project as submitted; the third was a project modification.)

II. Compendium

1. Project Description.

POE project of up to four wells on OCS-P 0339 and 0340, approximately 11 miles south of Point Conception and 10 miles north of San Miguel Island in the Santa Barbara Channel. Offshore unit: Santa Barbara Channel. Lease Sale RS-2. Water depths: 1,330 to 1,470 feet. Well depths: 9,000 to 13,500 feet. Drillship: Glomar Atlantic.

- Commission Action and Date. Concurrence, February 23, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>

A. Air Quality

Project Modifications Made During the Consistency Review Process:

- (1) $4^{\rm O}$ injection timing retard on the drillship's diesel motors, an interim NO $_{\rm X}$ control measure identified in ARB's Air Quality Task Force report; and
- (2) Gathering of daily wind speed and direction, temperature, and fuel consumption data for air quality analysis.

<u>Basis</u>: The Commission found the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality, and Section 30250, which addresses cumulative impacts. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3). The Commission expressed concern that research continue on measures to reduce pollutant emissions.

4. Other Issues

- A. Marine Resources. The Commission found the project inconsistent with Section 30230, which addresses marine resources, and 30250, which addresses cumulative impacts, due oil spill risks and potential impacts of drilling discharges. However, as discussed in the following sections, the Commission found that these impacts were mitigated to the maximum extent feasible, and that the project was therefore consistent with Section 30260(3).
- B. <u>Drilling Muds/Water Quality</u>. The Commission expressed concern over the potential effects of drilling muds and cuttings on the marine environment. The Commission found that the provisions of the NPDES permit did not ensure the protection of these resources, and that the project was inconsistent with Sections 30230 and 30250. However, the Commission found that the project's impacts were mitigated to the maximum extent feasible and that the project was consistent with Section 30260(3), because of the conditions of the NPDES permit, the short length of time before a new general permit would be issued, and the location of the well sites far from shore in deep water and more than 5,000 meters away from rocky outcrops.
- C. <u>Commercial Fishing</u>. No significant fisheries issues were raised, and the Commission found that the project was consistent with Sections 30230, 30231, and 30234, which address commercial fishing.

California Department of Fish and Game Fish Block: 671.

- D. <u>Oil Spills</u>. The Commission found the project inconsistent with Section 30232, which addresses oil spills, and Section 30250, which addresses cumulative impact, because of the risk of a spill, its potential effects, and the limited capability of state-of-the-art oil spill equipment. Because Conoco had provided the best oil spill containment equipment as identified by the Commission (for list of measures, see CC-10-83), and would utilize the oil spill cooperatives in the event of a spill, the Commission found that the effects would be mitigated to the maximum extent feasible and that the project was consistent with Section 30260(3).
- E. <u>Geologic Hazards</u>. The Commission found the project consistent with Sections 30253(1) and 30262(a), which address geologic hazards, because none of the wells would be located near faults that could cause serious damage to occur, and adequate casing would be provided, minimizing shallow gas hazard.
- F. <u>Vessel Traffic Safety</u>. Because Conoco provided a radar device with an audible alarm that is continuously manned, or an automatic radar plotting device with audible alarm, depending on the drilling rig used, the Commission found that the navigational safety problems were mitigated and that the project was consistent with Section 30262(d), which addresses vessel traffic safety, and Section 30260(3).
- 5. For More Information, Refer To: Staff Recommendation, dated 2/10/84.

CC-26-83 EPA, CHEVRON, CHAMPLIN, NPDES PERMIT EXTENSION OF GENERAL NPDES PERMIT, AND 3 SPECIFIC NPDES PERMITS FILE DATE: 12/08/83. EPA

I. Summary

The Commission concurred with EPA's consistency certification for two separate but related matters: 1) reissuance of EPA's General National Pollutant Discharge Elimination System (NPDES) permit for ocean discharge of drilling muds, cuttings, and waste waters from offshore oil and gas operations, originally issued February 18, 1982, and which expired on December 31, 1983, for an additional six months through June 30, 1984; and 2) ocean disposal of drill muds, under the reissued General NPDES permit, associated with three POEs on which the Commission had previously concurred but had deferred action on drilling fluids disposal pending its decision on this EPA permit extension.

The Commission's concurrence was based in part on clarification in EPA's submittal that: 1) individual NPDES permits would be obtained from EPA by applicants for discharges within 1000 meters of State waters; 2) all new operations involving discharges would be brought before the Commission for its review and concurrence for consistency; 3) the toxicity of drilling mud discharges would be diluted; 4) permittees would submit self-monitoring effluent reports to EPA; and, 5) authorized representatives could inspect and monitor a permittee's premises to ensure permit compliance.

In addition to these measures, the Commission's concurrence was based on the following factors: 1) the Commission's ability to implement commercial fishing protection measures, prior to EPA's authorization of discharges under the general permit, during Commission review of individual projects; 2) the proposed drilling fluids disposal would occur over a limited period of time (six months); and 3) the number of exploratory wells (15-20) and production wells (7-10) during this period would be limited. A final factor was that at the time of its concurrence, the Commission awaited results of a drilling fluids study which, when complete, would provide important information relative to its review of EPA's proposed 5-year General NPDES permit to be submitted for consistency review in Spring 1984.

II. Compendium

- 1. <u>Project Description</u>. EPA issuance, under the federal Clean Water Act, of NPDES permit for discharges into federal ocean waters. The subject consistency certification included two components:
- A. <u>Six-month Extension of the General NPDES permit (No. CA0110516)</u>. Extension of permit for ocean discharge of drilling fluid and cuttings, and waste waters from offshore oil and gas operations located on the Southern California OCS (including lease parcels from Lease Sale Nos. 35, 48, 53, RS-2, and 68), originally approved on February 18, 1982, and expired on December 31, 1983, to be extended for an additional six months.

- B. Permit for Disposal from Certified POEs Where Approval of Drill Muds Disposal Postponed. EPA permits for ocean disposal of drill muds and cuttings under the terms of the above re-issued NPDES permit for three POEs in the Santa Barbara Channel: 1) CC-21-83 (Champlin Petroleum Co.) located 13.5 miles south-southeast of Santa Barbara (OCS-PO472); 2) CC-16-83 (Chevron USA, Inc.) located 10 miles south of Carpinteria (OCS-PO473 & O474); and 3) CC-10-83 (Chevron USA, Inc.) located 14 miles south of Carpinteria (OCS-PO478).
- 2. Commission Action and Date. Concurrence, January 11, 1984.

3. Issues

A. Marine Resources/General NPDES Permit.

Mitigation in Permit As Submitted:

The EPA permit included the following requirements and prohibitions:

- 1) Prohibition on discharging oil-based muds;
- Limitation of heavy metal discharges to the daily maximum concentrations as set forth in the California Ocean Plan;
 - 3) Special review of areas where MMS has required biological studies;
 - 4) Discharge of EPA approved muds and additives only;
 - 5) Disposal of waste water in compliance with water pollution control standards of the Clean Water Act of 1972;
- 6) A "Reopener Clause" allowing the Regional Administrator of EPA to revoke or modify a permit if he or she determined that continued discharge could potentially cause unreasonable degradation of the marine environment;
- 7) Authorization of discharges from new operations within 1000 meters of State waters would be prohibited under the General permit, and an individual NPDES permit for each new discharge within the 1000-meter area would be required. Such permits would be subject to a case-by-case consistency review by the Commission;
- 8) EPA would review all biological surveys as required by MMS on particular parcels, prior to any discharge, to allow EPA to determine a) whether the General Permit provided adequate protection for special resources, and b) if not, allowing EPA to require an individual permit with special conditions to protect resources:
- 9) Dilution of drilling mud discharges, after initial mixing, to less than 1% of concentrations shown to be acutely toxic to appropriate sensitive marine organisms, to ensure the discharge of muds and mud additives of low toxicity, in compliance with water quality standards for heavy metals contained in the California Ocean Plan:

- 10) EPA receipt of self-monitoring reports which demonstrated a permittee's compliance with permit effluent limitations;
- 11) Authorization of the Regional Administrator, or authorized representative, to enter a permittee's premises to inspect and/or monitor for compliance with permit conditions; and
- 12) Permit modification or revocation if new information indicating continued discharges potentially caused unreasonable degradation of the marine environment becomes available.

<u>Basis</u>: Sections 30230 and 30231 address marine resources. Section 30250 addresses cumulative impacts. The area covered by the general permit is located offshore southern California in federal waters, and contains a variety of habitat types, water depths and marine resources. The discharge of drilling fluids could adversely affect marine resources, and the Commission found that scientific research yielded conflicting conclusions regarding the individual and cumulative impacts of offshore drilling muds and cutting disposal. Due to the potential adverse impact of drilling fluids discharges to marine resources, and because the question of cumulative impacts associated with drilling fluids was not addressed in the subject proposal, the Commission found the reissuance of the permit inconsistent with Sections 30230, 30231 and 30250.

However, the Commission found EPA had provided maximum feasible mitigation and that the permit was consistent with Section 30260(3), due to the incorporation of the above mitigation measures and because the effect of the permit would be limited for various reasons, including the fact that the proposed drilling fluids disposal would occur over a limited time period (six months) and would involve a limited number of exploratory wells (15-20) and production wells (7-10). At the time of its concurrence, the Commission noted that it awaited the results of a drilling fluids study which, when complete, would allow the Commission to formulate a more thorough and long-term policy, and subsequently influence its review of EPA's more long term 5 year General NPDES permit anticipated to start in Spring 1984.

B. Commercial Fishing/General NPDES Permit.

The marine resources issues are closely linked to the commercial fishing issues, since commercial fish species depend on the health of the same habitat discussed above. Thus, for the same reasons discussed above, the Commission found that the General NPDES permit lacked sufficient provisions to protect commercial fishing operations from the adverse impacts of drill muds, and that the permit was inconsistent with Section 30231. However, the Commission found that its ability to include measures to protect commercial fishing during its review of each individual POE and DPP, before EPA authorizes any discharge under the general permit, would adequately address the commercial fishing issues raised.

C. Marine Resources/Certified POEs Where Approval of Drill Muds Disposal Postponed.

The bottom sediments at all three drill sites were predominantly soft bottomed and located away from any large rock outcroppings. The leases were also

substantial distances from the resource-rich Channel Islands and kelp beds. For the reasons discussed in Section A above, the Commission found that the NPDES general permit contained insufficient protection for the marine resources of the three offshore areas, and thus conflicted with Section 30230. The Commission found, however, that the permit included maximum feasible mitigation measures, and was consistent with Section 30260.

- 4. For More Information Refer to: Staff Recommendation, dated December 29, 1983 (hearing date 1/11/84.)
- 5. Related Commission Action. The Commission had anticipated this reissuance of the NPDES permit for three leases when it reviewed those three POEs (see CC-10-83, CC-16-83, and CC-21-83). In its concurrence with those three POEs, the Commission deferred action on discharges at that time, pending its review of the subject consistency certification.

Also, the Commission planned to review EPA's five-year General NPDES permit at a later date. On February 4, 1985, the Commission objected to the EPA's five-year draft General NPDES Permit (see CC-38-85 and CC-39-85).

In the period following the expiration of the general permit on June 30, 1984, the Commission has reviewed POE and DPP waste discharge proposals on a case-by-case basis. Although the permit expired, it was extended via the provisions of the Administrative Procedure Act (providing for the extended discharge authorization under the general permit after the original permit expiration date for facilities covered by the permit on the date of expiration) for permittees properly notifying EPA prior to June 30, 1984, of their intent to discharge in accordance with the permit. The extended general permit did not cover new facilities requesting coverage after June 30, 1984; rather these new facilities needed to obtain individual permits.

By May 1, 1986, EPA had planned to reissue general NPDES Permit No. CA0110516 in the form of two general permits (NPDES No. CAG280605 for exploratory operations and NPDES No. CAG280622 for development and production operations). As of this date (July 31, 1989), however, the reissuance of the permits has not yet occurred.

CC-27-83 TEXACO, DPP, PLATFORM HARVEST OCS-P 0315 FILE DATE: 09/28/83, MMS

Summary

The Commission concurred with Texaco's consistency certification for Platform Harvest, on OCS-P 0315 near Point Conception, in the southern Santa Maria Basin. Platform Harvest was the second of three platforms reviewed by the Commission in the southern Santa Maria Basin. Among the key issues raised were concerns regarding the transportation of oil by pipeline and the consolidation of facilities. Texaco proposed in its Environmental Report (ER) to use pipelines for transportation, and during the Commission's review Texaco and each of its partners provided a strengthened commitment to transportation by pipeline. Also important was Texaco's commitment to consolidate its transportation and processing facilities with those of Chevron's Hermosa Project.

On other issues, the Commission found Texaco's original proposal for oil spill response equipment was inadequate because the response time would have been five to six hours, and Texaco provided another oil spill boat (Mr. Clean III) at or near the site. Texaco also provided additional drill mud discharge monitoring and analysis. Texaco also committed to installing additional air emission mitigation measures if, after completion of the EIS/EIR, the Commission, in consultation with other agencies, found that additional measures would be necessary.

II. Compendium

- 1. <u>Project Description</u>. **DPP for Platform** Harvest on Lease OCS-P 0315, approximately 11 miles west of Point Conception. Offshore unit: Point Arguello Field. Lease Sale 48. Fifty well slots. The project also included two subsea oil and gas pipelines connecting Platform Harvest and Chevron's Platform Hermosa. The oil would be transported from Platform Hermosa to consolidated onshore processing facilities at either Corral Canyon/El Capitan or Gaviota via a consolidated pipeline. Production was expected to peak in 1988 at 46,000 barrels per day (BPD) of oil and 42 million cubic feet per day (MMSCF/D) of gas.
 - 2. Commission Action and Date. Concurrence, February 23, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.
 - Oil Transportation.

Mitigation in Project as Submitted:

(1) Pipelines would be used for transportation to onshore processing facilities.

Project Modifications Made During the Consistency Review Process:

- (1) Commitment by Platform Harvest producers (Texaco, Pennzoil Oil and Gas, Inc., Sun Exploration and Production Co., and Koch Industries, Inc.) to using available pipelines to transport the processed crude to refineries and to assuring that Harvest oil sold to other companies would be transported by pipeline, and that any tankering would be interim and consistent with Santa Barbara County LCP transportation policies;
- (2) The partners would participate in industry and government pipeline studies and cooperate with pipeline companies proposing any pipelines; and,
- (3) Texaco agreed that it would not sell oil to other companies as a means to avoid commitments to transport oil by pipeline, and that any oil sold to other companies would be transported by pipeline whenever possible.

Basis: Sections 30230, 30231, 30253, 30260, and 30262 address various coastal resource issues and aspects of operations, including marine resources, air quality, and consolidation. The Commission's findings contained a lengthy discussion of the improved safety and reduced environmental impacts of transportation by pipeline over transportation by tanker. The pipelines between platforms Harvest and Hermosa would be installed and operated by Texaco, and Chevron's pipelines to shore from Platform Hermosa would be used. Other modes of transportation such as a marine terminal might be necessary for an interim period between shore and refineries until onshore pipelines were built, but use of a marine terminal would be limited. Texaco provided for use of marine terminals only as specified in the County's LCP. The Commission found that interim use of tankering was inconsistent with the following sections, 30230, 30231, and 30232. However, it found that since the Platform Harvest producers modified the project to agree to use pipelines to transport their oil once the pipelines were available and with accessible capacity, the producers were maximizing the use of pipelines, and therefore the project provided maximum feasible mitigation and was consistent with Section 30260(3).

B. Oil Spills.

Mitigation in Project as Submitted:

- 1500 foot containment boom;
- (2) An oceangoing oil skimmer;
- (3) Two 2500 gallon floating storage bags:
- (4) 15 bales of 3 M sorbent; and,
- (5) A 20-foot outboard standby vessel.

Project Modifications Made During the Consistency Review Process:

- I. Texaco initially modified the project to provide the following equipment:
- (1) A commercial ocean going support vessel capable of sustained operations on the site at all times or within fifteen minutes of the drilling

vessel site equipped with a second boat capable of assisting in the control of the oil spill boom, or "fast response" shore to offshore based equipment for initial response between 15 and 60 minutes; and,

- (2) Oil storage capacity to allow for oil recovery until additional oil storage containers could be brought to the spill site.
- II. Texaco subsequently modified the project to provide the following improvements to the above:
- (1) A large (100-200 foot) response vessel located at or near the platform site, provided in cooperation with the other two nearby platforms, Hildago and Hermosa, which eventually became Mr. Clean III;
 - (2) 3000 feet of open ocean boom;
- (3) Advancing skimmers equal in capacity to Offshore Devices, Inc. skimming barrier (Voss system) and stationary skimmers equal in capability to Walosep W3 skimmers:
- (4) Oil storage capability of 1000 barrels, which could reach the platform site within six hours;
 - (5) Dispersant application equipment;
- (6) Additional data on the effectiveness and toxicity of dispersants would be gathered;
- (7) A 30 foot deployment boat would be located onboard the onsite spill response vessel; and,
- (8) Weather collection equipment to collect data to assist in oil spill trajectory analysis.

Basis: In response to concern over the long response times for Oil Spill Cooperative vessels Mr. Clean I and II (approximately five to six hours), Texaco modified the project to provide the above response equipment. In addition, the oil spill dispersant planned for use was known to have difficulty working on heavy oils, and the dispersant and oil mixture might be more toxic than the oil alone. Texaco modified the project to test the dispersants and provide additional information prior to the operation of the platform. Because of the limited effectiveness of the oil spill response and clean-up time equipment, the Commission found the project inconsistent with Section 30232, which addresses oil spills. With all of the mitigation measures and modifications, the Commission found that the oil spill impacts were mitigated to the maximum extent feasible and therefore that the project was consistent with Section 30260(3).

C. Marine Resources.

Mitigation in Project as Submitted:

- (1) Marine biological survey; and,
- (2) No blasting during pipeline construction;

Project Modifications Made During the Consistency Review Process:

- (1) Supplemental marine biological survey focusing on hard bottom habitat;
- (2) Pipeline construction disturbance would be kept within a minimum corridor and all rocky areas would be avoided;
 - (3) Barge anchor lines would be adjusted to avoid all rocky areas;
- (4) Regular crew and supply boat routes would be followed between the Ellwood Pier and the platform;
- (5) Texaco would work with the Western Oil and Gas Association (WOGA) to incorporate educational information into the Fisheries and Environmental Training Program on how to identify gray whales and avoid any harrassment by the supply and crewboat operators; and,
- (6) Most offshore construction activities would be limited to the months of April through October to avoid most of the peak whale migration period.

Basis: The project raised concern about impacts from drill muds disposal, sedimentation resulting from construction activities, ship anchors, and oil spills on marine life and habitat areas, including hard bottom habitat. It also raised concern that increases in crew and supply boats, helicopter, and tanker traffic to a marine terminal could affect marine mammals (especially gray whales) by collisions or disturbance of migration patterns. Because of these impacts, the Commission found that the project, even as modified, was inconsistent with Sections 30230 to 30232, which address marine resources, and Section 30250, which addresses cumulative impacts. The Commission found that by limiting most construction activities to the months of April to October, Texaco had provided feasible mitigation measures to protect marine resources, and the mitigation measures discussed above would significantly mitigate the impacts on marine benthic habitats. Therefore, the Commission found that the pipeline and platform were sited and mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

D. Drilling Muds/Water Quality.

Mitigation in Project as Submitted:

- (1) Muds would be recycled during drilling to the maximum extent practicable;
- (2) Drilling and cutting muds would be discharged at a depth of 300 feet below sea level;

Texaco clarified that:

- (3) Only EPA approved additives would be used in the muds, in concentrations approved by EPA;
- (4) Any muds that failed to meet EPA criteria would be barged to shore; and,
 - (5) Muds containing diesel would not be discharged.

Project Modifications Made During the Consistency Review Process:

- (1) Muds containing chrome lignosulfate would not be discharged; and,
- (2) A monitoring program to include periodic measurement and assessment of the environmental effects of discharging drilling muds and cuttings, a chemical analysis of drilling samples and seafloor sediments, and a biological field study program, with Executive Director review and approval of the work program for the monitoring. If unacceptable adverse impacts directly attributable to platform discharges were identified as a result of the study, Texaco would coordinate with responsible agencies to develop and implement mitigation measures that would minimize identified impacts to the maximum extent feasible within economic and technical limits.

Basis: The Commission did not review an NPDES permit at the same time as the consistency certification for the DDP, but it would have the opportunity to again consider the drilling muds issue under the EPA's general NPDES permit in the next few months. Chrome lignosulfonates are known toxins to marine resources, and Texaco agreed to modify the project to avoid their use. The Commission found that Texaco's proposed discharges of muds and cuttings raised concern about the cumulative impacts of drilling muds disposal on the environment and the commercial fishing industry. The Commission found that even with Texaco's drill mud dispersion modelling, concerns remained regarding possible long-term chronic sublethal and cumulative impacts, so it found the project, even as modified, inconsistent with Sections 30230 and 30231. Since the proposed project would contribute to cumulative impacts, the Commission also found it inconsistent with Section 30250(a). The Commission found that the proposed muds discharge plan was the least environmentally damaging alternative, and that the monitoring program and commitment to corrective action would mitigate to the maximum extent feasible the impacts of the project; so the project was consistent with Section 30260(3). The Commission noted it would have the opportunity to review the drill muds disposal issue again because EPA's General NPDES permit would be before the Commission in the near future for consistency certification.

E. <u>Vessel Traffic and Systems Safety</u>.

Mitigation in Project as Submitted:

(1) The platform would be painted in accordance with USCG recommendators to increase its visibility to ocean vessels.

Project Modifications Made During the Consistency Review Process:

- (1) An Automatic Radar Plotting Aid (ARPA). The following guidelines would be used:
- i) within a 24-mile range, a vessel would be contacted by radio and warned;
- ii) within a 10-mile range the observer would alert a boat or helicopter that would be permanently stationed by the platform;

- iii) a loudspeaker and lights would be used to notify approaching
 vessels of the platform's location;
- (2) Flashing five-mile obstruction lights would be installed on the four corners of the facility;
 - (3) A two-mile fog horn; and,
 - (4) Daytime lighting when visibility was less than three miles.

Basis: Concern was raised that a recent U.S. Coast Guard request to change the Santa Barbara Channel Vessel Traffic Seperation Scheme had been rejected. The Commission found that vessels would continue to travel through the project area, that the cumulative effect of the nearby platforms would be to significantly increase vessel traffic, and that fog and wave conditions in the area were sometimes extreme. Therefore it found that the platform would pose a substantial hazard to vessel traffic safety and could increase the likelihood of oil spills and was inconsistent with Sections 30232 and 30262(d), which address oil spills and vessel traffic safety. The Commission also found that because other transportation methods, such as tankering, would be used until a pipeline was built and during emergencies, the project was not consistent with Section 30232. The Commission found that, with the above modifications, Texaco had mitigated the vessel traffic safety effects to the maximum extent feasible, and that the project was consistent with Section 30260(3).

F. Air Quality.

Mitigation in Project as Submitted:

- (1) Turbine water injection to reduce NO_x emissions by 75%;
- (2) Low sulfur natural gas would be burned as fuel for major platform equipment such as turbine power generators and gas compressors;
- (3) Wells would be completed in a formation expected to yield gas naturally low in sulfur for use as platform fuel;
- (4) Gas processing equipment capable of sweetening high sulfur gas for use on the platform;
- (5) High pressure and low pressure vapor recovery systems to prevent hydrocarbon emissions from processing facilities, compressors, tanks, and other platform equipment;
- (6) Catalytic converters on platform diesel engines to reduce hydrocarbon, NO_x , and carbon monoxide emissions to a minimum;
- (7) Waste heat from platform turbines would be used in other applications to reduce the need for fuel burning equipment and associated pollutant emissions;
 - (8) Hydrogen sulfide air pollutant monitors:

- (9) An inspection and maintenance program designed to require regular checks of all platform equipment, fittings, valves, and flanges to prevent hydrocarbon vapor leaks; and,
- (10) Injection timing retard, subject to American Bureau of Shipping and U.S. Coast Guard approval, on all crew and supply vessel diesel engines to reduce $NO_{\mathbf{x}}$ emissions.

Project Modifications Made During the Consistency Review Process:

(1) Texaco entered into an agreement with ARB, under which Texaco agreed to install pollution control equipment that would be identified in the EIS/EIR, and to meet with representatives of the Commission, ARB, and MMS after the EIS/EIR was completed to determine whether further mitigation would be required, and if so, the extent and precise measures that Texaco would have to use.

Basis: The Commission found that onshore air emission impacts were likely to occur either from Texaco's project alone or in combination with other offshore development in the area. In addition, the Commission found the project could adversely affect the County's ability to attain and maintain national and state ambient air quality standards. Texaco coordinated with Chevron to perform a modeling analysis of the combined onshore impacts of the two platforms, other hypothetical platforms in the area, and the operation of the proposed onshore processing facility at Gaviota. This study concluded that there would be only minor onshore impacts, but the Commission found that the impacts were underpredicted, and noted that the EIS/R was completed. Without an adequate air quality analysis, the Commission could not determine whether the project would prevent onshore areas from attaining or maintaining ambient air quality standards. The Commission therefore found the project inconsistent with Section 30253(3), which addresses air quality, and 30250(a), which addresses cumulative impacts. Texaco provided that upon completion of its EIS/R, it would meet with representatives from the Commission, ARB and MMS to determine whether the air quality analysis showed the need for further mitigation and, if so, to implement the measures agreed The Commission found the project, as modified, and with the additional mitigation measures and commitments to pipeline transportation, provided maximum feasible mitigation and was consistent with Section 30260(3).

G. Visual Impacts and Public Access and Recreation.

Project Modifications Made During the Consistency Review Process:

- (1) Texaco would combine crew trips with Chevron's operations; and,
- (2) Crews would be shuttled to Ellwood Pier (when helicopter transportation was infeasible) and activities would be consolidated with Chevron.

<u>Basis</u>: The Commission found that the project would cause a permanent visual impact on visual and recreational qualities of the area, and was inconsistent with Section 30251, which addresses scenic and visual impacts. Because of the modifications provided, the Commission found the project provided maximum feasible mitigation and was consistent with Section 30260(3) on visual

impacts. The Commission found that the cumulative impacts of existing and planned projects in the area would have significant effects on traffic on Highway 101, and therefore the project was inconsistent with Sections 30210, 30212, and 30252 which address public access and 30250(a), which addresses cumulative impacts. With the above modifications, the Commission found the project consistent with Section 30260(3) on public access and recreation.

4. Other Issues

A. Commercial Fishing.

Mitigation in Project as Submitted:

- (1) Vessel corridors that extend beyond the 30 fathom contour would be established to mitigate the conflict with nearshore set gillnetting and trapping;
- (2) Texaco would participate in joint industry workshops and information programs, and in the Petroleum Transportation Committee;
- (3) Pipeline facilities would be consolidated with those of Chevron's Platform Hermosa project to minimize the number of seafloor pipelines and the amount of construction activity necessary;
- (4) A continuous-welded pipeline would be used to avoid fittings that could snag trawl gear;
- (5) Irregular pipeline surfaces that could not be avoided would be protected to allow trawl gear to pass over the surface without snagging; and,
- (6) Equipment identification, so that in case damages resulted, the compensation process would be simplified.

Basis: Concerns were raised about the short and long-term effects of disposal of drill muds and cuttings, oil spills, crew and supply boats that would run over surface lines, and the cumulative impacts of these effects from all of the projects in the area. The Commission found that even with the mitigation measures proposed in Texaco's Environmental Report, portions of the nearshore trapping and gillnetting and trawl ground could be displaced, and the expanding thresher shark fishery could be adversely affected, especially taking into account cumulative impacts. It therefore found the project inconsistent with Sections 30230, 30231, 30234, which addresses commercial fishing, and 30250(a), which addresses cumulative impacts. However, the Commission found that the project was consistent with Section 30260 (1) and (3) because Texaco would provide mitigation to the maximum extent feasible, major project relocation or consolidation would be infeasible, transportation by pipeline was the least environmentally damaging alternative with regard to fishing interests, and relocation of the pipeline could adversely affects its geologic stability.

Department of Fish and Game Fish Block: 659.

B. Geologic Hazards.

Mitigation in Project as Submitted:

- (1) The platform was designed for a ductile event earthquake of 7.0 that would produce a ground acceleration of 0.285g; and,
- (2) Deep seated piles to maintain stability and bouyant support in case liquefaction occurred.
- <u>Basis</u>: The Commission reviewed hazards issues such as earthquakes, and unstable sediments, which could lead to liquefaction. The Commission found that with the above measures, the project was consistent with Section 30253 with respect to seismicity and liquefaction. The Commission found that the project was consistent with Section 30253 with respect to faulting, subsidence, and shallow gas and hydrocarbon seeps, because these issues were either not of concern for the project or would be met by avoidance and/or engineering design.
- C. <u>Consolidation</u>. The Commission found that Texaco's commitment to use the same consolidated transportation and processing facilities as Chevron's Platform Hermosa Project, which included a consolidated pipeline large enough to accommodate production from the entire Arguello Field and consolidated onshore processing facilities at Gaviota, would minimize adverse cumulative impacts and was a major step towards developing maximum feasible mitigation. The Commission therefore found the project consistent with Section 30260(3).
- 5. Related Commission Action. The Commission previously concurred with a platform in the project area (the Point Arguello Field), CC-12-83 (Platform Harmosa), and subsequently concurred with another platform in the project area, CC-24-84 (Platform Hidalgo). The Commission also subsequently approved permits with conditions for two related onshore facilities. In E-87-4 and CC-36-87, the Commission authorized the Gaviota Interim Marine Terminal, on August 26, 1987 (see compendium under CC-36-87). In permit actions on appeal from Santa Barbara County (A-4-STB-84-91 and A-E-85-12), the Commission granted permits with conditions for Chevron's Gaviota onshore processing facilities.
- 6. For More Information, Refer To: Preliminary Staff Recommendation, hearing date February 23, 1984.

CC-3-84, CONOCO, POE OCS-P 0347, 3 WELLS FILE DATE: 02/15/84, MMS

Summary

The Commission concurred with Conoco's POE for 3 wells on OCS-P 0347, located 7 miles southeast of Carpinteria in the Santa Barbara Channel. Similar to a number of POEs reviewed and concurred with by the Commission in 1983 and 1984, the applicant provided: (a) a radar device with an audible alarm; (b) use of best oil spill containment equipment identified by the Commission; (c) use of only chrome-free lignosulfonates in the drilling muds; and (d) implementation of oxides of nitrogen (NO $_{\rm X}$) control measures, including injection timing retard, and the collection of wind speed and direction, temperature, and fuel consumption data. (The first two of these were in the project as submitted; the third and fourth were project modifications.)

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of 3 exploratory wells on OCS lease P-0347, 7 miles southeast of Carpinteria in the Santa Barbara Channel. Drillship: Penrod 96, a jack-up rig. Water depths: 148 to 171 ft. Lease Sale: 48. Offshore Unit: adjacent to Pitas Point Unit.
- 2. Commission Action and Date. Concurrence, May 9, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>
 - A. Marine Resources/Drilling Muds/Water Quality

Mitigation in Project as Submitted.

(1) Compliance with EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

(1) Use of only chrome-free lignosulfonates.

Basis: Chrome and ferrochrome lignosulfonates are toxic to marine resources. The above modification addresses this concern, as the applicant agreed to use only those lignosulfonates not including chromium. The Commission found the project inconsistent with Sections 30230 and 30231, which address marine resources, and Section 30250, which addresses cumulative impacts, because of the potential adverse effects of drilling discharges on the marine environment. However, the Commission found that maximum feasible mitigation had been provided, and that the project was consistent with Section 30260(3).

B. Air Quality.

Project Modifications Made During the Consistency Review Process:

- (1) Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

<u>Basis</u>: The Commission found the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

4. Other Issues

A. <u>Commercial Fishing</u>. No significant fishing issues were raised, and the Commission found the project consistent with Sections 30230, 30231, and 30234, which address protection of marine resources and commercial fishing.

Department of Fish and Game Fish Blocks: 655 and 656.

- B. <u>Vessel Traffic</u>. The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. The project included use of a radar device with an audible alarm, and the Commission found that Conoco had mitigated navigational safety problems and that the project was consistent with Sections 30262 and 30260(3).
- C. <u>Oil Spills</u>. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. However, the Commission found that the applicant had provided best available oil spill control and containment, consisting of:
- (1) Onsite equipment, including: (a) 1,500 feet of open ocean oil spill containment boom; (b) one skimming device capable of open ocean use; (c) bales of oil sorbent material capable of containing 15 barrels of oil; (d) a commercial ocean going vessel capable of sustained operations on the site at all times or within 15 minutes of the drill site, equipped with a second boat capable of assisting in the control of the oil spill boom; and (e) oil storage capacity to allow for oil recovery until additional oil storage containers could be brought to the spill site;
 - (2) Secondary response by oil spill cooperatives;
 - (3) Dedicated response vessels;
 - (4) Personnel training;

- (5) Supervisorial training; and
- (6) Equipment use training.

With these measures, the Commission found that adverse impacts had been mitigated to the maximum extent feasible, and found the project consistent with Section 30260(3).

- D. <u>Geologic Hazards</u>. The project was located in areas with potential for shallow gas and gas charged sediments, and one of the wells was located near the Pitas Point fault. The Commission found that the wells sites were safely located. The Commission found the project consistent with Section 30253(1) and Section 30262(a), which address geologic conditions of the site.
- 5. For More Information, Refer To: Staff Recommendation, dated 4/27/84 (Hearing Date 5/9/84).

CC-5-84, DPP, PLATFORM EUREKA OCS-P 0301 FILE DATE: 03/16/84, MMS

I. Summary

The Commission concurred with Shell's consistency certification for Platform Eureka on OCS-P 0301. Platform Eureka was the third Shell platform in the Beta Field off Orange County, although it was the first to be reviewed by the Coastal Commission. The oil and gas produced on Platform Eureka would be transported by pipeline to Platform Elly. A pipeline had previously been constructed from Platform Elly and the other platforms in the Beta Field to shore, and it was large enough to accommodate all production from the Eureka Platform. The major issues involving project modifications were oil transportation, oil spills, marine resources, commercial fishing, drilling muds, and vessel traffic. The platform would be located within the Palos Verdes fault zone, so the Commission was also concerned about the potential for damage due to an earthquake in the area. However the Commission found the project's design adequately addressed geologic hazards.

II. Compendium

1. Project Description.

DPP for Platform Eureka on Lease OCS-P 0301, approximately 9 miles southwest of Huntington Beach, Orange County. Offshore unit: Beta Field. Lease Sale: 35. Sixty well slots. Water depth of 700 feet. The project included three oil, water, and gas pipelines to be constructed between it and Platform Elly. The project also included two subsea power cables that would transmit electricity to it from Platform Elly.

Commission Action and Date.

Concurrence, May 9, 1984.

3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

A. Oil Transportation.

Mitigation in Project as Submitted:

- (1) Three oil, water, and gas pipelines between Platform Eureka and Platform Elly; and,
- (2) All oil and gas produced on the platfrom would be transported via pipeline to the Los Angeles area for refining.

Project Modifications Made During the Consistency Review Process:

(1) The Platform producers (Shell, Hamilton Brothers, Aminoil USA, Inc., Petro-Lewis, Inc., and Santa Fe Energy) provided that any oil transported out of the Los Angeles area would be transported by pipeline if pipelines were available with accessible capacity to their market destinations.

<u>Basis</u>: The Commission found that pipelines are an environmentally preferable alternative when compared to tanker transportation, because pipelines minimize the risks of catastrophic oil spills and reduce air quality impacts. The project as submitted addressed this issue with respect to transportation from the platform to shore; however, under the proposal, some of the oil might be transported by tanker outside of the Los Angeles area. The Commission found that, because of the increased risk of oil spills, the use of tankers was inconsistent with the following sections: 30230 and 30231, which address marine resources, and 30232, which addresses oil spills. Because Shell and its partners agreed to the above modification to use pipelines if feasible, the Commission found the transportation impacts were mitigated to the maximum extent feasible and therefore that the project was consistent with Section 30260(3).

B. Oil Spills.

Mitigation in Project as Submitted:

- (1) One oil skimming device capable of open ocean use;
- (2) Bales of oil sorbent material capable of containing 15 barrels of oil;
- (3) One commercial ocean going support vessel capable of sustained operations on the site at all times or within fifteen minutes of the drilling vessel site equipped with a second boat capable of assisting in the control of the oil spill boom; and,
- (4) Oil storage capacity to allow for oil recovery until additional oil storage containers can be brought to the spill site.

Project Modifications Made During the Consistency Review Process:

- (1) 1,500 feet of open ocean containment boom; and,
- (2) Additional toxicity and effectiveness testing of dispersants, and stockpiling of new dispersants, if appropriate, prior to operation of the platform.

<u>Basis</u>: The Commission found the project inconsistent with Section 30232, which addresses oil spills, due to the limited effectiveness of oil spill equipment in open ocean conditions. The Commission found that the oil spill impacts were mitigated to the maximum extent feasible because the above modifications assured maximum feasible oil spill containment and cleanup equipment and procedures, and adequate dispersant information or an approved dispersant use plan. The Commission therefore found the project consistent with Section 30260(3).

Marine Resources.

Mitigation in Project as Submitted:

(1) The entire pipeline would be outside of rocky hard bottom habitat areas; and,

(2) Existing crew and supply boat routes would be followed between the proposed platform and Platforms Ellen and Elly and the Long Beach Harbor.

Project Modifications Made During the Consistency Review Process:

- (1) The barge anchor lines would be adjusted to avoid all rocky areas to the greatest extent possible;
- (2) Offshore construction activities would be limited to the months of June through December, to avoid most of the peak whale migration period; and,
- (3) Revised sea floor mapping information to assure the platform would be outside of rocky hard bottom habitat areas.

Basis: The Commission found that the construction and installation of the platform and pipeline would result in siltation, smothering, increased turbidity and the additional introduction of pollutants near coastal waters. It found the project inconsistent with the following Sections: 30230 and 30231, which address marine resources, and 30232, which addresses oil spills. It found the project consistent with Section 30260(1) and (3) for marine resources because the platform and pipelines were sited in the least environmentally damaging location in relation to marine resources and, with the above modifications, the effects were mitigated to the maximum extent feasible. It found the project consistent with Section 30260(3) for marine mammals because Shell provided maximum feasible mitigation measures to protect marine mammals.

D. <u>Drilling Muds/Water Quality</u>.

Mitigation in Project as Submitted:

- (1) Compliance with EPA NPDES permit conditions;
- (2) Chromium lignosulfonates would not be used; and,
- (3) A monitoring program to assess the effectiveness and need for mitigation measures would be implemented.

Project Modifications Made During the Consistency Review Process:

- (1) Funding would be provided for a research study on the affects of drilling muds and cuttings to marine resources. This study would be in addition to another study funded by Shell on drilling muds.
- Basis: The Commission found that the cumulative effects of all OCS muds and cuttings discharges could result in significant chronic or sublethal effects on marine organisms, and that Platform Eureka might increase those impacts. The Commission found the project inconsistent with Sections 30230 and 30231, which address marine resources, and with Section 30250(a), which addresses cumulative impacts. However, with the lack of significant hard bottom habitat and Shell's commitments to conduct additional research and use acceptable muds, the Commission found that the project would provide maximum feasible mitigation and was therefore consistent with Section 30260(3).

E. Commercial Fishing.

Mitigation in Project as Submitted:

- (1) Establish designated support boat routes;
- (2) The pipeline would be designed and constructed to have the least impact on trawlers; and,
- (3) The construction schedule would be provided to fishermen in the oil and gas newsletter.

Project Modifications Made During the Consistency Review Process:

- (1) Nighttime support boat traffic would be limited to medical or operational emergencies during operation, and fishermen would be contacted when night trips during construction could not be avoided; and,
- (2) The ocean bottom would be scanned for lost equipment, or compensation would be provided to fishermen for any gear damaged or lost.

Basis: Impacts on the commercial fishing industry could result from the project by its: a) tainting of marine organisms by direct coating or ingestion of hydrocarbons; b) reduction in the total available catch; c) contamination of fishing gear and vessels, requiring either cleaning or replacement of the gear and cleaning of the vessels; and d) blocking of the port by oil containment booms. The Commission found that even with the above mitigation measures, the project could displace portions of trawl grounds by construction and existence of the platform, and a small portion of the purse seine catch would be reduced because of existence of the platform. Therefore the Commission found the project inconsistent with Sections 30230, 30231, 30234, which address commercial fishing; and 30250(a), which addresses cumulative impacts. However, it found the project consistent with Section 30260(1) because a major relocation or consolidation of the platform with other platforms in the area would prevent efficient production of the field, and only a small portion of the fishing area would be affected. The Commission found the project consistent with Section 30260(3) because the above measures constituted maximum feasible mitigation.

Department of Fish and Game Fish Blocks: 739 and 740.

F. <u>Vessel Traffic and Systems Safety</u>.

Project Modifications Made During the Consistency Review Process:

- (1) An aircraft obstruction light; and,
- (2) Daytime lighting would be provided when visibility was less than three miles.

<u>Basis</u>: The Commission found that the platform was sited where it could pose a hazard to vessel traffic, but that Shell had mitigated the impacts to the maximum extent feasible. The Commission therefore found that the project was consistent with Section 30262(d), which addresses vessel traffic safety, and Section 30260(3).

4. Other Issues

A. Geologic Hazards.

Mitigation in Project as Submitted:

- (1) The platform was designed to withstand vertical accelerations greater than 1.0 g without experiencing major damage; and,
- (2) The platform was designed to accommodate subsidence that might be expected, and a reservoir maintenance program would be instituted to reduce subsidence.

<u>Basis</u>: The Commission's review focused on: the platform's ability to survive a ductile event earthquake without collapse; the potential for oil spills due to earthquake activity or fault rupture; and the possibility that submarine slumping would damage planned submarine pipeline facilities. The Commission found that Shell had adequately addressed these concerns and that the project therefore met the requirements of Section 30253(1), which addresses geologic hazards.

B. Air Quality.

Mitigation in Project as Submitted:

- (1) Low NO_x diesel engines;
- (2) Cogeneration;
- (3) Fugitive emissions inspection and maintenance program:
- (4) Smokeless flare burner;
- (5) A hydrocarbon vapor recovery system for the minimization of HC and NO, emissions to the atmosphere;
- (6) Turbine engines fueled with produced gas would be used for electricity generation, except during startups, shutdowns, upsets, or emergencies in which the availability of fuel gas is limited;
- (7) Recycled heat from the turbine generators would be used for oil treatment, thus minimizing energy consumption;
- (8) Emission reductions at onshore facilities to offset the emissions from the offshore facilities remaining after the control measures had been applied; and,
 - (9) Two subsea electric power cables.

<u>Basis</u>: The Commission expressed concern about the cumulative impacts of air emissions on the onshore air quality. Shell provided emission calculations based on operation of the three Shell platforms and the Chevron platform in the Beta Field. The South Coast Air Quality Management District (SCAQMD) had

granted Shell a conditional permit to construct the Beta onshore facility, which set the maximum emission levels and the amount of emissions to be offset. The SCAQMD added several conditions to the original permit to assure that the emission limits would not be exceeded. The Commission found that because of these measures, there would be no increase in air emissions that could adversely impact the onshore air quality, and therefore that the project was consistent with Section 30253(3), which addresses air quality, and Section 30250(a), which addresses cumulative impacts.

Visual Impacts.

The Commission found that the project would cause a permanent visual impact on the scenic and recreational qualities of the area and was therefore inconsistent with Section 30251, which addresses visual resources. It found that the project was mitigated to the maximum extent feasible because the size and physical appearance could not be significantly altered, and the location was the least damaging because it would not be feasible to move the platform farther from shore. The Commission therefore found the project consistent with Section 30260(1) and (3) for visual impacts.

D. Public Access and Recreation.

The Commission found that the project would not cause significant impacts on traffic systems and public-access/visitor-serving facilities because new onshore facilities would not be needed during construction and installation, the pipeline to shore was already in place, and the oil would be refined in existing facilities. Therefore, it found the project consistent with Sections 30210, 30212, and 30252, which address public access, and 30250(a), which addresses cumulative impacts.

5. For More Information, Refer To:

Staff Recommendation, hearing date May 9, 1984.

CC-7-84 GETTY, POE OCS-P 0479, 3 WELLS FILE DATE: 03/16/84, MMS

I. Summary

The Commission concurred with Getty's POE for 3 wells on OCS-P 0479, located 7 miles southeast of Carpinteria, adjacent to State waters in the eastern Santa Barbara Channel. Similar to a number of POEs reviewed and concurred with by the Commission in 1983 and 1984, the applicant provided: (1) a 24-hour radar alarm device; (2) the best available oil spill control and containment equipment identified by the Commission; (3) wind speed and direction, temperature and fuel consumption data for air quality analysis; (4) interim NOx control measures (including injection timing retard on the drillship); and (5) use of only chrome free lignosulfonates in the drilling muds. (The second and fifth of these were in the project as submitted; the first, third and fourth were project modifications.)

In addition, on commercial fishing, Getty provided use of designated support vessel traffic routes.

II. Compendium

- 1. <u>Project Description</u>. **POE**, consisting of 3 exploratory wells on OCS lease P-0479, located 7 miles southeast of Carpinteria, adjacent to State waters in the eastern Santa Barbara channel. Drillship: the Penrod 96, a jack-up drilling rig. Water depth: 78 ft. Lease Sale: 68. Offshore Unit: adjacent to the Santa Clara unit.
- 2. Commission Action and Date. Concurrence, August 8, 1984.
- 3. Issues Involving Project Modifications Made During the Consistency Review.

A. Air Quality.

Project Modifications Made During the Consistency Review Process:

- (1) Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

Basis: The Commission found the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

B. Commercial Fishing

Project Modifications Made During the Consistency Review Process:

Use of designated support vessel traffic routes.

<u>Basis</u>: Sections 30230, 30231 and 30234 address commercial fishing. Getty's lease tract was located within an area used by trawlers for rockfish and sole, harvesters of halibut, shark and anchovy, and trappers of shellfish. Getty provided the above modifications to minimize impacts to nearshore fishing activities. Because of residual impacts, the Commission found the project inconsistent with Sections 30230, 30231, and 30234, as it would still interfere with fishing activities. However, the Commission found the fisheries impacts were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Block: 683.

C. Vessel Traffic.

Project Modifications Made During the Consistency Review Process:

(1) 24 hour radar warning system with audible alarm.

<u>Basis</u>: The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. The above modification provided for the use of a continually manned radar device with an audible alarm, and the Commission found that the applicant had mitigated navigational safety problems and that the proposal was consistent with Sections 30262 and 30260(3).

4. Other Issues

- A. Marine Resources/Water Quality/Drilling Muds. Due to the impact of drilling mud discharges and potential oil spills on marine resources, the Commission found the project inconsistent with Sections 30230, 30231, 30232 and 30250, which address marine resources, effective oil spill clean-up, and avoidance of adverse cumulative impacts. Some muds and cuttings are known to be biologically concentrated in and toxic to some organisms. The cumulative effects of all OCS muds and cuttings discharge could result in significant chronic or sublethal effects on those marine organisms. With the applicant's proposal to include only chrome free lignosulfonates in the drilling muds, and best available oil spill equipment, the Commission found the project included maximum feasible mitigation and was consistent with Section 30260(3).
- B. <u>Oil Spills</u>. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. However, the Commission found that the applicant had provided best available oil spill control and containment (for list of measures see CC-3-84) and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

- C. <u>Geologic Hazards</u>. No significant geologic hazard issues were identified, and the Commission found the project consistent with Sections 30253(1) and 30262(a), which address geologic hazards, and Section 30260.
- 5. For More Information, Refer To: Staff Recommendation, dated August 8, 1984.

CC-9-84 READING AND BATES, POE OCS-P 0433, 0495, 13 WELLS FILE DATE: 04/18/84, MMS

I. Summary

The Commission concurred with Reading and Bates' POE for 13 wells on OCS-P 0433 and 0495, located 28 miles southwest of Santa Maria and 11 to 17 miles from shore, in the central Santa Maria Basin. Similar to a number of POEs reviewed and concurred with by the Commission in 1983 and 1984, the applicant provided: (1) a 24-hour radar alarm device; (2) the best available oil spill control and containment equipment identified by the Commission; (3) wind speed and direction, temperature and fuel consumption data for air quality analysis; (4) interim NOx control measures (including injection timing retard on the drillship); and (5) use of only chrome free lignosulfonates in the drilling muds. (The second of these was in the project as submitted; the first, third, fourth and fifth were project modifications.)

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of 13 exploratory wells on OCS-P 0433 and 0495, approximately 28 miles southwest of Santa Maria, 11 to 17 miles from shore, in the central Santa Maria Basin. Drillship: the Diamond M General. Water depths: 337 to 817 feet. Lease Sale: RS-2. Offshore Unit: adjacent to the Santa Maria Unit, in the central Santa Maria Basin.
- 2. Commission Action and Date. Concurrence, June 28, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

A. Air Quality.

- (1) Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

<u>Basis:</u> The Commission found the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

B. Vessel Traffic Safety

Project Modifications Made During the Consistency Review Process:

(1) Operation of a radar device with an audible alarm which is continually manned.

<u>Basis</u>: The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. The Commission was concerned over navigational safety because of the lack of any designated vessel traffic corridors in the Santa Maria Basin, as well as frequent reduced visibility in the area due to foggy and stormy weather. The Commission found that the above modification mitigated the hazards posed by the project. The Commission found the project consistent with Sections 30262(d) and 30260(3).

C. Marine Resources/Drilling Muds/Water Quality

Mitigation in Project as Submitted:

(1) Compliance with EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

(1) Use of only chrome-free lignosulfonates.

Basis: Chrome and ferrochrome lignosulfonates are toxic to marine resources. The above modification addresses this concern, as the applicant provided for use of only those lignosulfonates not including chromium. The Commission found the project inconsistent with Sections 30230 and 30231, which address marine resources, and Section 30250, which addresses cumulative impacts, because of the potential adverse effects of drilling discharges on the marine environment. However, the Commission found that maximum feasible mitigation had been provided, and that the project was consistent with Section 30260(3).

4. Other Issues

- A. Oil Spills. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. However, the Commission found that the applicant had provided best available oil spill control and containment, and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3). (For list of measures see CC-3-84).
- B. <u>Commercial Fishing</u>. No significant fishing issues were raised, and the Commission found the project consistent with Sections 30230, 30231, and 30234, which address marine resources and commercial fishing.

Department of Fish and Game Fish Blocks: 638 & 639.

- C. <u>Geologic Hazards</u>. The project was located in areas with potential for shallow gas and gas charged sediments. The Commission found the well sites were safely located, the project was consistent with Section 30253(1) and Section 30262(a), which address geologic hazards.
- 5. For More Information, Refer To: Staff Recommendation, dated 6/28/84.

THUMS LONG BEACH, NPDES LONG BEACH HARBOR, NPDES PERMIT FOR THUMS OIL ISLANDS FILE DATE: 4/16/84, EPA

I. Summary

The Commission concurred with THUMS' consistency certification for an EPA ocean dumping permit authorizing the disposal of approximately 100,000 cubic meters of drilling discharges per year, near the center of the San Pedro Basin (midway between San Pedro and Santa Catalina Island), for a three-year period. The discharges were to be generated by drilling on THUMS' four oil production islands in Long Beach Harbor. Although it was concerned over cumulative impacts, the Commission concluded that there was no less environmentally damaging alternative location, and that the project's impacts were mitigated to the maximum extent feasible, given: the lack of any sensitive habitat areas in the vicinity of the discharge site, the fact that the area was relatively lightly fished, EPA's required monitoring program, and THUMS' agreement to take action to correct any adverse impacts that might result from the proposed activity.

II. Compendium.

1. <u>Project Description</u>. The project consisted of the discharge of drilling muds and cuttings from THUMS' oil production islands in Long Beach Harbor (Grissom, White, Chaffee and Freeman Islands). The discharge site was a dumpsite located 16 nautical miles southwest of the Long Beach Whistle Buoy at the Long Beach opening in the federal breakwater, in waters 485 fathoms (2910 feet) deep. The proposed site was used between 1966-1969 for drilling fluids disposal.

In accordance with EPA disposal limits, disposal at the site would not exceed 628,900 barrels or 100,000 cubic meters per year throughout the three-year permit period. The dumping could occur at any time, day or night, at a frequency of 6 to 26 times per month. THUMS estimated unloading capability at 2,000 barrels per hour; at this rate disposal of a barge load would take up to three hours. At peak drilling (estimated to extend two to four years beyond the three-year permit period), disposal was estimated at about 60,000 barrels of muds and 20,000 barrels of cuttings per month; peak drilling could generate up to 962,217 barrels or 153,000 cubic meters per year of muds and cuttings.

- 2. Commission Action and Date. Concurrence, June 14, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.
 - A. Marine Resources/Commercial Fishing.

Mitigation in Project As Submitted:

(1) Intermittent disposal of drilling fluids composed of low-toxic clays

which met EPA standards, at least one day (and usually more) apart, to facilitate rapid dilution of the muds;

- (2) Use of chrome-free lignosulfonates;
- (3) The disposal of muds containing substances not approved in advance by EPA at appropriate land waste disposal sites; and,
- (4) Monitoring of the project, in accordance with EPA requirements, to verify mud contents, check for gross impacts on the water column and check assumptions regarding the fate of the discharges to mitigate the impacts to the maximum extent feasible. The monitoring program requirements included: a) keeping quarterly reports of the volume of waste disposed of at the disposal site; b) maintaining quarterly analyses of the waste material for pH, percent solids, organohalogens (total), oil and grease, cyanides, arsenic, cadmium, chromium, copper, lead, mercury, nickel, and zinc; and c) conducting a trend assessment field survey at the disposal site by which the impact to the marine environment from disposal operations could be evaluated. Water column samples would be obtained from depths of lm, 30m, and 60m during two seasons (i.e. winter and summer) and analyzed for the following parameters: dissolved oxygen, suspended solids, salinity, temperature, and all the contaminants listed in monitoring requirement "b". The velocity and direction of prevailing currents would also be determined for two seasons. The monitoring also included verifying the mathematical model used to calculate the initial dilution zone and fate of the discharge plume determined using transmissivity profiles.

Project Modifications Made During the Consistency Review Process:

(1) THUMS agreed to take appropriate corrective action should any of the mud constituents approved in the EPA permit later prove to adversely affect the marine biota or habitat areas.

<u>Basis:</u> Sections 30230 and 30231 addresses marine resources. The proposal to dispose substantial amounts of drilling muds and cuttings raised significant marine resource issues. In its review of various POEs and DPPs and their associated discharges in 1983 and 1984, the Commission had generally found that discharged drilling fluids could adversely affect the biological productivity and quality of coastal resources by causing chronic or sublethal effects on coastal zone marine resources. The Commission was especially concerned over cumulative effects.

In its proposal, THUMS stated that some drill muds and cuttings would disperse throughout the San Pedro Basin, which stretched approximately 520 square miles. The Commission found that the widespread distribution of drilling effluents throughout the Basin could adversely affect marine resources and commercial and non-commercial fish species. Therefore, the Commission found the project inconsistent with Section 30250(a), which addresses cumulative effects on coastal resources. Further, the Commission found that the policies contained in Sections 30230 and 30231 as applied to the discharge of drilling muds and cuttings could not be met by reliance on the data available at the time of the subject review.

In reviewing the project under Section 30260, the Commission noted that the San Pedro Basin's benthic biology, when compared to other southern California

basins, exhibited the lowest standing crop and low species richness and diversity, thus making the area's resources not particularly sensitive.

While the San Pedro Basin is an important area for commercial and sport fishing, the Commission found that the site, although moderately used by purse seiners for both Pacific and Jack mackeral, was located several miles away from the most heavily fished portion of the Basin and in an area not particularly important for trawling or gillnetting. Moreover, the Commission found that San Pedro Basin is not particularly important for supporting any special or unusual spawning or nursery sites, compared to most of the Southern California Bight.

The Commission concluded that in light of the drilling fluid's high dilution factor, the known resources of the San Pedro Basin and the lack of any especially sensitive habitat areas in the vicinity of the discharge site, and in light of THUMS proposed mud components and disposal method, the monitoring program in accordance with EPA requirements, and THUMS' agreement to take appropriate corrective action should any of the mud constituents approved in the EPA permit later prove to adversely affect the marine biota or habitat areas, the project's adverse impacts would be mitigated to the maximum extent feasible and the project was consistent with Section 30260(3).

- 4. Related Commission Action. THUMS originally estimated peak drilling to occur two to four years beyond the three-year permit, which would require a new EPA permit and consistency certification. Since the Commission expected to review the project for consistency upon expiration of the subject three-year period permit, it could review THUMS' monitoring information at that time. However, the disposal of drilling fluids by THUMS ceased prior to the expiration date of the subject permit; thus further Commission consistency review of the activity, beyond the original concurrence date of June 13, 1984, was unnecessary.
- 5. For Additional Information, Refer To: Staff Recommendation, June 14, 1984.

CC-12-84 TEXACO, POE OCS-P 0463, 5 WELLS FILE DATE: 05/25/84, MMS

I. Summary

The Commission concurred with 5 of 6 proposed wells on Texaco's POE on OCS-P 0463, located 10.7 nautical miles northwest of San Miguel Island and 14.6 nautical miles south of Point Conception, in the southern Santa Maria Basin/western Santa Barbara Channel, adjacent to the Channel Islands National Marine Sanctuary. In response to Texaco's request for expedited treatment for two of the wells, the Commission took two actions on this POE. The Commission concurred with the consistency certification for two wells on June 28, 1984 (CC-12A-84), and for the remaining three wells on November 13, 1984 (CC-12B-84). All five wells were on the same OCS lease. A sixth well was deleted due to geologic constraints.

Similar to a number of POEs reviewed and concurred with by the Commission in 1983 and 1984, the applicant provided: (1) a 24-hour radar alarm device; (2) the best available oil spill control and containment equipment identified by the Commission; (3) wind speed and direction, temperature and fuel consumption data; (4) interim NOx control measures (including injection timing retard on the drillship); and (5) use of only chrome free lignosulfonates in the drilling muds. (The first two of these were in the project as submitted; three, four and five were project modifications.)

Additional site-specific issues were raised involving commercial fishing (drift gillnetting and bottom trawling) and environmentally sensitive habitat (hard bottom habitat and the project's proximity to the Channel Islands Sanctuary). Texaco provided a number of mitigation measures protecting commercial fishing, including restrictions on support vessel traffic and anchor buoy placement. In addition, Texaco moved Well No. 2 and modified its anchor pattern for Well No. 1 to minimize impacts to hard bottom habitat.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of, as originally proposed, 6 exploratory wells on OCS Lease P 0463, located 10.7 nautical miles northwest of San Miguel Island, and adjacent to the Channel Islands National Marine Sanctuary. Well #6 was subsequently deleted from Texaco's proposal due to geologic hazards, and the Commission's review of the remaining wells was segmented into two actions: two wells in CC-12A-84 and three wells in CC-12B-84. Drillship: Diamond M General. Water depths: 775 to 1250 ft. Lease Sale: 68. Offshore Unit: southern Santa Maria Basin (no specific unit).
- 2. <u>Commission Action and Date</u>. Concurrence with 2 wells on June 28, 1984 (CC-12A-84) and with the remaining 3 on November 13, 1984 (CC-12B-84).

[Note: the following discussions cover both CC-12A-84 and CC-12B-84, as the Commission's findings were practically identical for both items.]

3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

A. Air Quality.

- (1) Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

<u>Basis:</u> The Commission found the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

B. Marine Resources/Drilling Muds/Water Quality

Mitigation in Project as Submitted:

- (1) Compliance with EPA NPDES permit; and
- (2) Shunting the discharge to a depth of 90 ft.

Project Modifications Made During the Consistency Review Process:

- Use of only chrome-free lignosulfonates;
- (2) Relocation of Well No. 2 to avoid impacts to hard bottom habitat;
- (3) Adjustment of the anchor spacing for well site No. 1 to prevent placing anchors or anchor chains on or near the hard bottom/sponge area; and
- (4) Protection of the sponge community from anchor damage from subsequent wells.

Basis: Chrome and ferrochrome lignosulfonates are toxic to marine resources. The above modification (1) addressed this concern, as the applicant provided for use of only those lignosulfonates not including chromium. Additional site specific habitat concerns were raised as at least one of the wells was to be located near hard bottom habitat where an important sponge community existed. Texaco relocated Well No. 2 to avoid impacts to this habitat. The other wells were sufficiently distant from the sponge community to avoid impacts, and Texaco had performed discharge plume modeling to analyze impacts to the hard bottom habitat and the marine sanctuary adjacent to the lease, and had determined that shunting the discharge to a depth of 90 ft. would minimize adverse effects. The long anchor lines could still adversely affect the hard bottom habitat; however the above modifications 3 and 4 resolved this

concern. The Commission found the project inconsistent with Sections 30230 and 30231, which address marine resources, and Section 30250, which addresses cumulative impacts, because of the potential adverse effects of drilling discharges on the marine environment. However, the Commission found that maximum feasible mitigation had been provided, and that the project was consistent with Section 30260(3).

C. Commercial Fishing

Project Modifications Made During the Consistency Review Process:

- (1) To the extent feasible, eliminated or minimized support vessel traffic to the drilling rig during the night, except during emergencies:
 - (2) Use of helicopters for personnel and small supply transport;
- (3) Whenever unforeseeable situations arise which necessitate night vessel traffic, maintenance of a minimum 1.5 nautical mile buffer around fishing vessels and attempting to establish radio contact;
- (4) Use of a set vessel traffic pattern to and from the drilling rig except during emergencies. The traffic pattern included a corridor on the east side of the rig, and a seaward corridor directed out to 30 fathoms for vessels traveling from Port Hueneme or Carpinteria Pier to the drill rig; and,
- (5) During the months of May, June and July, agreement not to utilize anchor buoys above 500 foot water depth, or if surface anchor buoys were used, they would be moved to within 250 feet of the drill rig.

<u>Basis</u>: Sections 30230 and 30231 address protection of commercial fishing and marine resources. The major fishing issues raised were impacts on bottom trawling and especially drift gillnetting. Texaco incorporated the above modifications to minimize impacts on these fisheries. Because of residual impacts, the Commission found the project inconsistent with Sections 30230 and 30231, as it would still interfere with the drift gillnetting and trawling. However, the Commission found the fisheries impacts were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Block: 671.

D. <u>Geologic Hazards</u>

Project Modifications Made During the Consistency Review Process:

(1) Well No. 6 was deleted due to geologic hazards.

<u>Basis</u>: Sections 30253(1) and 30262(a) address geologic hazard. Texaco deleted Well No. 6 due to geologic concerns, and no other significant geologic constraints were identified by the Commission, for Wells No. 1-5. The Commission therefore found the drilling of Wells 1-5 consistent with Sections 30253(1) and 30262(a).

4. Other Issues

- A. <u>Vessel Traffic</u>. The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. The project included use of a continually manned radar device with an audible alarm, and the Commission found that Texaco had mitigated navigational safety problems and that the project was consistent with Sections 30262 and 30260(3).
- B. <u>Oil Spills</u>. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. (For list of measures, see CC-3-84). However, the Commission found that the applicant had provided best available oil spill control and containment, and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).
- 5. For More Information, Refer To: Staff Recommendations: CC-12A-84, dated 6/28/84; and CC-12B-84, dated 11/13/84.

CC-13-84 ARCO, POE OCS-P 0484, 0486, 6 WELLS FILE DATE: 05/25/84, MMS

I. Summary

The Commission concurred with 4 of 6 proposed wells on ARCO's POE for OCS-P 0484 and 0486, 13 and 16 nautical miles south of Santa Cruz Island, and south of the Santa Barbara Channel. Similar to a number of POEs reviewed and concurred with by the Commission in 1983 and 1984, the applicant provided: (1) 24 hour radar warning with an audible alarm; (2) the best available oil spill control and containment equipment identified by the Commission; (3) interim NOx control measures (including injection timing retard on the drillship); and (4) use of only chrome free lignosulfonates in the drilling muds. (The second of these was in the project as submitted; the first, third and fourth were project modifications.)

The project-specific issues included the following: (1) because of the project's location south of the Channel Islands, data collection for air quality purposes was not considered necessary; (2) based on geologic concerns, the applicant deleted two wells, reducing the project from 6 wells to 4; and (3) because the project was in a highly productive commercial fishing location, the applicant modified the project to avoid drilling during the peak fishing season, and to use common vessel corridors for crew and supply boats to minimize impacts to nearshore fisheries.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of 6 exploratory wells (subsequently reduced to 4 wells) on OCS leases P 0484 and P 0486, 13 and 16 nautical miles south of Santa Cruz Island, south of the Santa Barbara Channel. Drillship: Diamond M General. Water depths: 504-1804 ft. Lease Sale 68 tracts. Offshore Unit: None.
- 2. Commission Action and Date. Concurrence, October 10, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

A. Commercial Fishing

Project Modifications Made During the Consistency Review Process:

- (1) Limit drilling to the months of December through August; and
- (2) Restrict support boats to a common corridor when accessing the port, and assure that the support boats, when moored outside the port (e.g., when no dock space is available), would moor outside the ten fathom contour.

<u>Basis</u>: Sections 30230 and 30231 and 30234 address commercial fishing and marine resources. Section 30250 addresses cumulative impacts. The project site was a highly productive fishing area, and the major fishing issue raised was impacts on drift gillnetting fishing for swordfish and thresher shark.

ARCO provided the above modifications to avoid drilling during the peak fishing season of September through November to avoid the peak drift gillnet fishing period, and to restrict crew and supply boats to minimize impacts to nearshore fisheries. Because of residual impacts, the Commission found the project inconsistent with Sections 30230, 30231, 30234 and 30250, as it would still interfere with the drift gillnet fishing. However, the Commission found the fisheries impacts were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Block: 728.

B. Air Quality.

Project Modifications Made During the Consistency Review Process:

(1) Interim NOx control measures, including injection timing retard on the drillship.

Basis: The Commission found the project would have adverse impacts on onshore air quality. ARCO pointed out that the Diamond M. General already had injection timing retard to reduce NOx emissions, and committed to similar NOx reductions by injection timing retard in the event it used another drillship. This modification reduced the project's contribution to ozone formation. Due to the project's location south of the Channel Islands, data collection for air quality purposes was not considered necessary for this project. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

C. Vessel Traffic.

Project Modifications Made During the Consistency Review Process:

24 hour radar warning system with audible alarm.

<u>Basis</u>: The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. The above modification provided for the use of a continually manned radar device with an audible alarm, and the Commission found that ARCO had mitigated navigational safety problems and that the project was consistent with Sections 30262 and 30260(3).

D. Marine Resources/Drilling Muds/Water Quality

Mitigation in Project as Submitted:

Compliance with EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

(1) Use of only chrome-free lignosulfonates.

Basis: Chrome and ferrochrome lignosulfonates are toxic to marine resources. The above modification addresses this concern, as the applicant provided for use of only those lignosulfonates not including chromium. The Commission found the project inconsistent with Sections 30230 and 30231, which address marine resources, and Section 30250, which addresses cumulative impacts, because of the potential adverse effects of drilling discharges on the marine environment. However, the Commission found that maximum feasible mitigation had been provided, and that the project was consistent with Section 30260(3).

E. Geologic Hazards.

Project Modifications Made During the Consistency Review Process:

(1) Two wells (Well B on each tract) were deleted due to geologic hazards.

<u>Basis</u>: Sections 30253(1) and 30262(a) address geologic hazard. ARCO deleted two of the wells (one on each tract) in response to concerns over shallow gas hazards. No significant geologic constraints were identified by the Commission for the remaining 4 wells. The Commission therefore found the drilling of these wells consistent with Sections 30253(1) and 30262(a).

4. Other Issues

- A. Oil Spills. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. However, the Commission found that the applicant had provided best available oil spill control and containment, and adverse impacts had been mitigated to the maximum extent feasible, therefore the project was consistent with Section 30260(3). (For list of measures see CC-3-84).
- 5. <u>Related Commission Action</u> The staff report cited the following previous cases where seasonal drilling restrictions were involved: CC-8-81, CC-26-82, CC-5-83, CC-6-83, and CC-14-83.
- 6. For More Information, Refer To: Staff Recommendation, dated 10/10/84.

CC-16-84 CHEVRON, POE OCS-P 0459, 2 WELLS FILE DATE: 05/18/84, MMS

I. Summary

The Commission concurred with Chevron's POE for 2 wells on OCS-P 0459, located 3 miles south of Gaviota, and adjacent to state waters in the western Santa Barbara Channel. Similar to a number of POEs reviewed and concurred with by the Commission in 1983 and 1984, the applicant provided: (1) a 24-hour radar alarm device; (2) the best available oil spill control and containment equipment identified by the Commission; (3) wind speed and direction, temperature and fuel consumption data for air quality analysis; (4) interim NOx control measures (including injection timing retard on the drillship); and (5) use of only chrome free lignosulfonates in the drilling muds. (The first two of these were in the project as submitted; the third and fourth were project modifications).

In addition, to minimize commercial fishing impacts, Chevron agreed to post-construction restoration of the seafloor and use of designated support vessel traffic routes.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of two exploratory wells adjacent to state waters on OCS lease P-0459, 3 miles south of Gaviota. Drillship: Diamond M Eagle. Offshore Unit: Gato Canyon Unit. Lease Sale: 68. Water depths: 459 to 571 feet.
- Commission Action and Date. Concurrence, October 10, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review</u> Process.

A. Air Quality.

Project Modifications Made During the Consistency Review Process:

- (1) Collection of wind speed and direction, temperature, and fuel consumption data; and
- (2) Interim NOx control measures, including injection timing retard on the drillship.

<u>Basis:</u> The Commission found the project would have adverse impacts on onshore air quality. The above modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

B. Commercial Fishing.

Project Modifications Made During the Consistency Review Process:

- (1) Restore the bottom of the ocean floor after drilling so that trawling gear would not be caught or snagged on any surface irregularities caused by the project;
- (2) Use designated support vessel traffic routes, and avoid mooring any support vessels within the 10 fathom curve (the "Hueneme Flats"), where trapping gear has historically been placed in and around the mouth of Port Hueneme; and
- (3) Meet with affected fishermen to discuss project scheduling in relation to peak fishing periods.

<u>Basis</u>: Sections 30230, 30231 and 30234 address commercial fishing. The project site was a productive fishing area for shrimp trawling and thresher shark and petrale sole fishing. To address these impacts, Chevron provided the above modifications. Because of residual impacts, the Commission found the project inconsistent with Sections 30230, 30231, and 30234, as it would still interfere with fishing activities. However, the Commission found the fisheries impacts were mitigated by to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Block: 656.

C. Marine Resources/Drilling Muds/Water Quality

Mitigation in Project as Submitted:

Compliance with EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

(1) Use of only chrome-free lignosulfonates.

Basis: Chrome and ferrochrome lignosulfonates are toxic to marine resources. The above modification addressed this concern, as the applicant provided for use of only those lignosulfonates not including chromium. The Commission found the project inconsistent with Sections 30230 and 30231, which address protection of marine resources, and Section 30250, which addresses cumulative impacts, because of the potential adverse effects of drilling discharges on the marine environment. However, the Commission found that maximum feasible mitigation had been provided, and that the project was consistent with Section 30260(3).

4. Other Issues

A. <u>Vessel Traffic</u>. The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. The Santa Barbara Channel is characterized by substantial traffic, foggy or stormy weather several months of the year, and voluntary vessel traffic lanes.

Addressing the risk of collision (and therefore oil spills) posed by the presence of the temporary drillship, the project included use of a continually manned radar device with an audible alarm, and the Commission found that Chevron had mitigated navigational safety problems and that the project was consistent with Sections 30262 and 30260(3).

- B. Oil Spills. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. However, the Commission found that the applicant had provided best available oil spill control and containment, and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3). (For list of measures see CC-3-84).
- C. <u>Geologic Hazards</u>. The project was located in areas with potential for shallow gas and gas charged sediments. The Commission found the wells sites were safely located, and that the project was consistent with Section 30253(1) and Section 30262(a), which address geologic hazards.
- 5. For More Information, Refer To: Staff Recommendation, dated 10/10/84.

CC-24-84, CHEVRON, DPP, PLATFORM HIDALGO OCS-P 0450 FILE DATE: 06/28/84, MMS

Summary

The Commission concurred with Chevron's consistency certification for Platform Hidalgo, on OCS-P 0450 in the southern Santa Maria Basin. Platform Hidalgo was the third platform off Point Conception in the Point Arguello Field, and the second operated by Chevron. Most of the issues raised were similar to those raised in the two previous consistency certifications for the adjacent Platforms Harvest and Hermosa. Chevron had already provided for long term transportation of its oil from the Arguello Field by pipeline, and to take the lead in constructing a pipeline if another company did not do so. In the Environmental Report (ER) for this project Chevron proposed similar mitigation measures as those it had incorporated in Platform Hermosa (CC-12-83). With respect to air quality, Chevron agreed to conduct further studies of the onshore impacts, and agreed to institute further mitigation if the studies showed they were needed.

II. Compendium

- 1. <u>Project Description</u>. DPP for Platform Hidalgo on Lease OCS-P 0450, approximately 6.5 miles southwest of Point Arguello and 13.6 miles northwest of Point Conception. Offshore unit: Point Arguello Field. Lease Sale: 53. Fifty-six well slots. The project included two subsea oil and gas pipelines between Platform Hidalgo and Platform Hermosa. The oil and gas was to be transported from Platform Hermosa to consolidated onshore processing facilities at Gaviota via a consolidated pipeline.
- Oil production was expected to peak in 1992 at 20,000 barrels per day (BPD), and gas production was expected to peak by 1996 at 10 million standard cubic feet per day (MMSCF/D).
 - Commission Action and Date. Concurrence, November 28, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.
 - A. Oil Spills.

Mitigation in Project as Submitted:

- (1) A large response vessel (Mr. Clean III). The vessel would be equipped with:
- (a) Major open ocean oil skimmers, both advancing and stationary;
 - (b) 3,000 feet of oil containment boom;
 - (c) An onboard boat to assist boom deployment;

- (d) Adequate oil storage capacity; and,
- (e) Dispersant application equipment.

Project Modifications Made During the Consistency Review Process:

- (1) Prior to the operation of the platforms in the Arguello field, either Chevron or Exxon, in connection with the Santa Ynez Unit, would assure that 1,000 barrels of oil storage capacity would be available at the site within six hours; and
- (2) Chevron would provide additional information about dispersants and participate in effectiveness and toxicity testing of them.

<u>Basis</u>: The project raised concerns because available oil spill response equipment was not capable of containing oil spills, and because of limitations in the effectiveness of the equipment. The Commission found the project inconsistent with Section 30232, which addresses oil spills. The Commission also found that the oil spill dispersant planned for use was known to have difficulty working on heavy oils, and that the dispersant and oil mixture might be more toxic than the oil alone. With the additional mitigation measures agreed to by Chevron, the Commission found the project included maximum feasible mitigation and was consistent with Section 30260(3).

B. <u>Vessel Traffic and Systems Safety</u>.

Mitigation in Project as Submitted:

- An Automatic Radar Plotting Aid (ARPA);
- (2) Four quick-flashing white lights visible for five miles on each corner of the platform:
- (3) Steady and flashing red lights on the flare boom and each drilling rig derrick for aviation safety;
- (4) The heliport on the platform would be outlined with lights plus one flashing amber beacon;
 - (5) A foghorn with a two-mile audible range; and,
 - (6) The platform would be painted white.

Project Modifications Made During the Consistency Review Process:

- (1) Daytime lighting when visibility was less than three miles; and,
- (2) Three escape capsules, accommodating 50 persons each, on the platform.

<u>Basis</u>: The Commission expressed concern about vessel traffic safety because no official vessel traffic lanes had been designated, and proposed lanes might not be used, due to the savings of time and fuel that could be achieved by

vessels passing through the project area. In addition, there were potentially dangerous fog and wave conditions in the area. The Commission noted that the number of vessels would increase in the future. The Commission found that the platform would be sited where it would pose a substantial hazard to vessel traffic safety and thus could increase the likelihood of oil spills. Therefore it found the project inconsistent with Sections 30262(d) and 30232, which address vessel traffic safety and oil spills. The Commission found that, with the above modifications, the project's impacts were mitigated to the maximum extent feasible and that the project was therefore consistent with Section 30260(3).

C. Air Quality.

Mitigation in Project as Submitted:

- (1) Water injection to control NO_X emissions from turbine generators. A 70% or better reduction in NO_X emissions was expected:
- (2) Only sweetened produced gas containing less than 50 ppm hydrogen sulfide would be used as fuel to the turbines;
- (3) Heat would be recovered from the turbine exhaust streams for use on the platform, eliminating potential emissions associated with gas or diesel-fueled process heaters;
 - (4) Injection timing retard to reduce NO_x emissions on supply vessels:
 - (5) Continuously operated hydrogen sulfide monitors on the platform;
- (6) A fugitive emission inspection and maintenance program to reduce fugitive hydrocarbon emissions; and,
 - (7) Low NO_X engines used for emergency power generation.

Project Modifications Made During the Consistency Review Process:

(1) Prior to operation of the platform, the projected emissions from platform operations and the resulting onshore impacts would be reevaluated, using evaluation tools available at that time, and further mitigation measures would be instituted if they were needed. The evaluation and determination of mitigation measures would be made in consultation with the MMS, ARB, and the Coastal Commission.

<u>Basis</u>: Chevron performed a modeling analysis of the impacts from all of the Arguello Field platforms and the Santa Ynez Unit and Gaviota onshore facilities. The modeling predicted that only minor onshore impacts would result, and that there would not be any violations of ambient air quality standards. The ARB evaluated this modeling analysis and stated it seriously underestimated maximum onshore impacts. Additional modelling was performed, in conjunction with the EIS/R for the Point Arguello Field and Gaviota Processing Facilities. This modelling predicted no exceedances of the standards for inert pollutants from Chevron's platforms, but it predicted the platforms would cause exceedances of the short-term state standards for TSP during construction, and for NO₂ and ozone during production. The ARB

reviewed the analysis and stated that the model used was an acceptable trajectory model, but that trajectory models might not adequately assess cumulative impacts on ozone concentration levels. The Commission found that, based on the EIR/S for the Arguello Field development, exceedances of onshore air quality standards could occur and onshore ozone nonattainment problems could exacerbated as a result of the project. Therefore, the Commission found the project, even with the labor modifications, inconsistent with Section 30253(3), which addresses air quality, and Section 30250(a), which addresses cumulative impacts. Because of the above modifications, Chevron's committing to pipelines rather than tanker transportation, and Chevron's commitment to reevaluate the emissions and provide further mitigation measures if necessary, the Commission found maximum feasible mitigation was provided and that the project was consistent with Section 30260(3).

4. Other Issues

A. <u>Oil Transportation</u>.

The Commission's findings contained a lengthy discussion of the improved safety and reduced environmental impacts of transportation by pipeline over transportation by tanker. It noted that recent EIR/Ss and studies had shown that pipelines were not only preferable, but economically feasible to construct and operate. Chevron committed in its original submittal to transport its oil by a common carrier pipeline from the platform to Gaviota, and then from Gaviota to El Segundo for refining, and to take the lead in constructing a pipeline if another company did not do so. The pipeline would be large enough to handle all crude production from the Point Arguello field. Phillips Petroleum Company, the co-lessee, reaffirmed its commitment to transporting oil from the Arguello Field by pipeline as soon as one is available, and to selling or trading its oil to refineries that use intrastate pipelines. Prior to January 1, 1990, until a pipeline was built, Chevron would use tankers to transport its oil. Because of the temporarily more hazardous method of transportation, the Commission found the project inconsistent with the following Sections: 30230, 30231, 30232, and 30253(3) which address marine resources, oil spills, and air quality. With the commitments by both companies to use pipelines in the long term, the Commission found the project consolidated and its impacts mitigated to the maximum extent feasible and therefore consistent with Section 30260(3).

Marine Resources.

Mitigation in Project as Submitted:

- Construction would be limited to the months of April through October to avoid the peak gray whale migration period;
- (2) Supply boats would adhere to prescribed shipping lanes between Port Hueneme or Carpinteria Pier and Platform Hidalgo as much as possible to minimize channel-wide noise impacts;
- (3) Chevron would cooperate with the Fisheries and Environmental Training Program and the Western Oil and Gas Association to improve, if necessary, the information presented in the program on gray whales and the avoidance of any harassment; and.

(4) Pipeline mobilization, installation, and testing activities would be completed prior to the southward gray whale migration.

<u>Basis</u>: The project raised concerns about the impacts from construction and drilling at the platform, disposal of drilling muds, and increased boat, helicopter, and tanker traffic on marine life and habitat in the area. Chevron performed a survey of the species in the area; however there were a number of uncertainties in the data base. The Commission found that due to the potential adverse impacts and the uncertainties in the data base, the project was not consistent with Sections 30230 to 30232, which address marine resources and oil spills. The Commission found that the mitigation measures proposed by Chevron constituted maximum feasible mitigation, and therefore that the project was consistent with Section 30260(3).

C. Drilling Muds/Water Quality.

Mitigation in Project as Submitted:

- (1) Oil contaminated drilling muds or cuttings would be collected and shipped to shore and trucked to an approved disposal site;
 - (2) Chrome-free lignosulfates would be used; and,
- (3) Chevron had initiated a study on drilling muds and cuttings discharge mitigation techniques and would implement all feasible mitigation measures appropriate to Platform Hidalgo that might be identified in the study.

<u>Basis</u>: Because information on the effects of drilling muds was uncertain, and there was substantial evidence that they might cause adverse effects on a cumulative basis, the Commission found that the project was not consistent with Sections 30230, 30231, and 30250(a), which address marine resources and cumulative impacts. The Commission found that the discharge was proposed in the least environmentally damaging location, and that, with the NPDES permit provisions and the above mitigation measures, the effects would be mitigated to the maximum extent feasible, so the project was consistent with Section 30260(1) and (3). The Commission noted it would have the opportunity to review the drill muds disposal issue again because EPA's General NPDES permit would be before the Commission in the near future as a consistency certification.

D. Commercial Fishing.

Mitigation in Project as Submitted:

- Chevron would use support boat routes adopted by the Joint Committee in Santa Barbara Channel Oil Service Vessel Corridor Programs and refrain from mooring its support vessels within ten fathoms of the Hueneme Flats;
 - (2) Protrusions on pipeline connections would be shrouded or sandbagged;
- (3) Pipeline installation methods would eliminate or minimize anchor scarring;

- (4) Post-construction surveys would be conducted within the platform and pipeline construction zones;
- (5) Artificial obstructions related to the pipeline and platform construction activities would be removed;
- (6) Commercial fishermen would be notified of the schedule and locations of construction activities through the Santa Barbara Marine Advisory Program Newsletter and the Notice to Mariners; and,
- (7) Ongoing discussions with commercial fishermen would be conducted to identify concerns and move toward determination and implementation of feasible mitigation measures.

Basis: The Commission found that the project, by increasing the risk of oil spills, could have the following impacts on commercial fisheries: a. tainting of the fish by direct coating or ingestion of hydrocarbons: b. reduction of the total available catch; c. contamination of fishing gear and vessels, requiring either cleaning or replacement of the gear and cleaning of the vessels; and d. blocking of fishermen's vessels by oil containment booms. The Commission also found that the project could cause: (a) destruction of fishing gear by crew and supply boats; (b) blocking of trawl areas with project related debris; and (c) snagging of trawl nets by pipeline protrusions. Chevron provided the above measures to address these impacts. The Commission found the project, even with these measures, would adversely affect trawl and set gear near fisheries, and that the project was inconsistent with Sections 30230, 30231, 30234, 30250(a), 30255, and 30703, which address commercial fishing. The Commission found that the use of a pipeline was the least environmentally damaging alternative for fisheries, and relocation of the platform or pipeline would be infeasible and could adversely affect its geologic stability; therefore the project was consistent with Section 30260(1). Because it found that environmental effects, with above measures, would be mitigated to the maximum extent feasible, the Commission found the project was consistent with Section 30260(3).

Department of Fish and Game Fish Blocks: 658 and 659.

E. Geologic Hazards.

The project raised some concern about the possibility of an earthquake in the area, because, even by California standards, the Santa Barbara Channel is seismically active. The Commission found the platform's design for a ductile limit of 0.33 g adequately addressed seismic hazard. The Commission found no major geologic hazards to exist at the platform site or within the pipeline corridor that could be considered a geologic constraint to development. Therefore, it found that the project consistent with Sections 30253(2) and 30262(e), which address geologic hazards.

F. Visual Impacts and Public Access and Recreation.

The Commission found that the project would cause a permanent visual impact on the scenic and recreational qualities of the Point Conception-Point Arguello area and was therefore inconsistent with Section 30251, which addresses visual resources. However, it found that these impacts were mitigated to the maximum

extent feasible because the size, appearance and location of the platform could not be significantly altered, so the project was consistent with Section 30260(1) and (3) with respect to visual impacts. The Commission found that the project would result in cumulative impacts on the capacity of Highway 101, an important recreational access road, and that the project was inconsistent with Sections 30210, 30212, 30250(a), and 30252, which address public access and recreation and cumulative impacts. Because personnel would not be commuting daily to the platform and traffic would be kept to a minimum, the Commission found the project consistent with Section 30260(3) with respect to access and recreation. The Commission found any access that might be appropriate in conjunction with Point Arguello Field projects could be addressed through the County and/or the Commission's coastal development permit review process, and therefore did not need to be addressed through this consistency review.

G. Cultural Resources.

Studies of the proposed project area and pipeline route showed that there were no identifiable prehistoric cultural resources, but one anomaly that could have been a shipwreck. Chevron located the pipeline route to avoid anomalies, and the Commission found the project consistent with Section 30244, which addresses archaeological resources.

H. Consolidation.

The Commission found the project consistent with Section 30260(3) because Chevron had, in its original submittal, committed to consolidate onshore processing facilities and pipelines and to mitigate impacts to the maximum extent feasible.

Related Commission Action.

The Commission previously concurred with consistency certifications for two platforms in the project area, CC-12-83 (Platform Harmosa) and CC-27-83 (Platform Harvest). The Commission subsequently approved permits with conditions for two related onshore facilities. In E-87-4 and CC-36-87, the Commission authorized the Gaviota Interim Marine Terminal, on August 26, 1987 (see compendium under CC-36-87). In permit actions on appeal from Santa Barbara County (A-4-STB-84-91 and A-E-85-12), the Commission granted permits with conditions for Chevron's Gaviota onshore processing facilities.

For More Information, Refer To:

Staff Recommendation, hearing date November 28, 1984.

CC-27-84 TEXACO, POE OCS-P 0456, 6 WELLS FILE DATE: 06/15/84, MMS

I. Summary

The Commission concurred with Texaco's proposal for a 6-well POE on OCS-P 0456 10 miles southwest of Pt. Arguello in the southern Santa Maria Basin. Project modifications consisted of eliminating chrome-treated lignosulfonates from drilling muds, better oil spill clean-up equipment and unscheduled inspections by the Department of Fish and Game's Oil Spill Contingency Planning Coordinator, NOx reduction techniques for the drilling vessel and atmospheric and fuel consumption monitoring, automatic radar alarm devices, and restricted mooring of supply boats outside Port Hueneme to reduce commercial fishing impacts. The Commission found these measures mitigated impacts to the maximum extent feasible.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of six exploratory wells (and associated discharges) on OCS Lease P-0456, southern Santa Maria Basin, 10 miles southwest of Pt. Arguello and 15 miles west of Pt. Conception. Drillship: Diamond M. General. A tract from Lease Sale 68. Water depth: 1243 to 1660 feet. Offshore Unit: Pt. Arguello Field (no specific unit).
- 2. Commission Action and Date. Concurrence, November 13, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>
 - A. Drilling Muds/Water Quality

Mitigation In Project as Submitted:

(1) Compliance with EPA NPDES permit.

Modifications Made During the Consistency Review Process:

(1) No chrome-based lignosulfonates in the drilling muds.

<u>Basis</u>: The Commission found that the discharge of potentially harmful drilling muds rendered the project inconsistent with Sections 30230 and 30231, which address marine resources, and with Section 30250, which addresses cumulative impacts. The removal of chrome-treated lignosulfonates from the drilling mud would reduce toxicity of the muds, and represented maximum feasible mitigation. The Commission found the project consistent with 30260 with regard to drilling muds.

B. Oil Spills

Mitigation In Project as Submitted:

(1) Standby oil spill response vessel onsite or within 15 minutes of the drill site;

- (2) 1500 ft. of open-ocean oil spill containment boom;
- (3) A Walosep W-1 or other Coast Guard approved skimmer:
- (4) An inflatable boat with outboard;
- (5) 1200 gallon sea bag;
- (6) Sorbent material; and.
- (7) 10 drums of Corexit 9527 dispersant chemical.

Modifications Made During the Consistency Review Process:

- (1) Oil storage capacity was increased to allow for oil recovery until additional oil storage containers could be brought to the spill site; and.
- (2) Agreement to allow State Agency Coordinator to accompany MMS on its unscheduled inspections of oil spill containment and deployment drills.

<u>Basis</u>: Section 30232 addresses oil spills. The Commission found that even the best equipment could not effectively prevent a large oil spill from contacting coastal areas, resulting in adverse impacts to marine life, scenic areas and recreational areas, and that the project was inconsistent with Section 30232. The Commission found that the above mitigation and modifications constituted maximum feasible mitigation, and that the project was consistent with Section 30260.

C. Air Quality

Modifications Made During the Consistency Review Process:

- Four degree injection timing retard for the drilling vessel's diesel engines to reduce NOx emissions; and,
- (2) Texaco would collect data on fuel consumption, wind speed, direction and temperature for monitoring air quality impacts.

<u>Basis</u>: Section 30253(3) addresses air quality. The area onshore of this project was already in "non-attainment" for ozone and particulate matter. The project would emit significant quantities of NOx (oxides of nitrogen, an ozone precursor) and particulate matter. The above modifications would reduce these impacts to some degree. Because of remaining impacts, however, the Commission found the project inconsistent with Section 30253. Nonetheless, the Commission found that maximum feasible mitigation had been provided, so that the project was consistent with Section 30260(3).

D. <u>Vessel Traffic Safety</u>

Modifications Made During the Consistency Review Process:

(1) Installation of a continuously-manned or automatic radar plotting device with an audible alarm.

<u>Basis</u>: Section 30262(d) addresses vessel traffic safety. The project site was located as close as 2 miles from the buffer zone of the Vessel Traffic Separation Scheme (VTSS). Substantial vessel traffic in the area, periodic inclement weather and the voluntary nature of the sea lanes made collision with temporary drilling structures in the proposed location a potential hazard. The Commission found that as modified, the project included maximum feasible mitigation of navigational safety problems and was consistent with Sections 30262(d) and 30260(3).

E. Commercial Fishing

Modifications Made During the Consistency Review Process:

(1) Commitment not to moor any vessels within the 10-fathom contour outside of Port Hueneme, an area known as Hueneme Flats (a traditional halibut fishing area).

<u>Basis</u>: Sections 30230, 30231 and 30234 address commercial fishing. A source of potential conflict concerned the anchoring of supply vessels within traditional nearshore halibut grounds just outside of Port Hueneme. This potential conflict was resolved when Texaco included the above modification. The Commission found the project, as modified, consistent with Sections 30230, 30231, and 30234 with regard to impacts on fishing operations.

The POE was to be located in the northeastern portion of DFG Block 659, bordering Block 644.

4. Other Issues

- A. Marine Resources. (Hardbottom habitat and marine mammals) There was no evidence of significant rocky outcrops on Lease P 0456 or within a thousand meters of any of the proposed well sites. Anchor damage would be minor. The cumulative effects of muds and cuttings discharges, however, could result in significant chronic or sublethal effects on fisheries and non-commercial species which reside in the coastal zone. In addition, large scale oil spills would adversely impact marine mammals which use the area on a permanent or transitory basis. The Commission therefore found the project to be inconsistent with Sections 30230 and 30231, which address marine resources. Because the impacts had been mitigated to the maximum extent feasible, however, through provision of proper oil spill response equipment and use of non-chrome muds, the Commission found the POE consistent with Section 30260(3).
- B. <u>Geologic Hazards</u>. Sections 30253(1) and 30262 (a) address geologic hazards. The wells were located in areas of shallow gas and gas-charged sediments. Working with the Division of Mines and Geology and the Division of Oil and Gas, the Commission determined that the risks were minimized and that the project was consistent with Sections 30253(1) and 30262(a).
- 5. For More Information, Refer To: Staff Recommendation, hearing date 10/13/84 [Note: this was a typo correct hearing date was actually 11/13/84].

CC-28-84 ARCO, POE OCS-P 0460, 4 WELLS FILE DATE: 08/20/84, MMS

I. Summary

The Commission concurred with ARCO's POE for 4 wells on OCS-P 0460, located eight miles west of Coal Oil Point in the western Santa Barbara Channel. Similar to a number of POEs reviewed and concurred with by the Commission in 1983 and 1984, the applicant agreed to provide: (1) a 24-hour radar alarm device; (2) the best available oil spill control and containment equipment identified by the Commission; (3) use of only chrome free lignosulfonates in the drilling muds. (The first two of these were in the project as submitted; the third was a project modification.)

On air quality, ARCO provided air pollution control measures that had been worked out through a Memorandum of Understanding signed by MMS and ARB in conjunction with Lease Sale 73. These measures consisted of: (1) 4 degree injection timing retard on the drillship; (2) piping of vapors vented during well testing to a flare system for incineration; and (3) use of $\rm H_2S$ scrubbers to remove hydrogen sulfide from gas during well testing. ARCO also provided for collection of data for ARB on wind speed and direction, temperature, and fuel consumption.

On commercial fishing, ARCO provided conduct post construction surveying and site restoration, and use of common support vessel routes.

II. Compendium

- 1. <u>Project Description</u>. **POE**, consisting of 4 exploratory wells on OCS lease P-0460, 8 miles west of Coal Oil in the western Santa Barbara Channel. Drillship: Diamond M Falcon. Offshore Unit: Gato Canyon Unit, adjacent to the Santa Ynez Unit. Lease Sale: 68. Water Depths: 735 to 1033 feet.
- 2. Commission Action and Date. Concurrence, October 24, 1984.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

A. Commercial Fishing

Project Modifications Made During the Consistency Review Process:

- (1) Survey and restore the bottom of the ocean floor after drilling;
- (2) Use designated support vessel traffic routes and avoid mooring any support vessels within the 10 fathom curve (the "Hueneme Flats");
- (3) Place buoys on anchor lines to allow fishermen to avoid ARCO's operation; and
 - (4) Shorten one anchor line to avoid impacts to hard bottom habitat.

Basis: Sections 30230, 30231 and 30234 address marine resources and commercial fishing. The project is located in an area where trawl, drift, gill, and set fishing activities occur. ARCO provided the above modifications, reducing fishing impacts, including impacts of equipment or anchor damage to the sea floor, which could snag or catch fishing nets and trawling gear. In light of the potential residual damage posed by drilling activities to the fishing industry, the Commission found the project inconsistent with Sections 30230, 30231, and 30234. However, the Commission found the adverse impacts mitigated to the maximum extent feasible and the project consistent with Section 30260(3).

Department of Fish and Game Fish Blocks: 654 and 655.

B. Air Quality.

Project Modifications Made During the Consistency Review Process:

- (1) 4 degree injection timing retard on the drillship;
- (2) Piping of vapors vented during well testing to a flare system for incineration;
- (3) Use of H_2S scrubbers to remove hydrogen sulfide from gas during well testing; and
- (4) Collection of data for ARB on wind speed and direction, temperature, and fuel consumption.

Basis: The Commission found the project would have adverse impacts on onshore air quality. The Commission noted that NMS and ARB had recently negotiated an agreement for air quality stipulations to be imposed on leases for Lease Sale 73. This agreement took the form of an NOA (Memorandum of Agreement) signed by the State of California and the Department of the Interior. Although the subject lease was not a Lease Sale 73 tract, ARCO provided these modifications, which reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

C. Marine Resources/Drilling Muds/Water Quality

Mitigation in Project as Submitted:

(1) Compliance with EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

- (1) Use of only chrome-free lignosulfonates; and,
- (2) Shorten one anchor line to avoid impacts to hard bottom habitat.

<u>Basis:</u> The northern third of the lease contained extensive hard bottom habitat. ARCO had sited the wells to all be more than 1000 meters from the hard bottom habitat, and ARCO provided the above modification to shorten one anchor that would have otherwise impinged on this habitat. The other modification, avoidance of lignosulfonates with chrome, addressed concern over the toxicity of chrome and ferrochrome lignosulfonates to marine resources.

The Commission found the project inconsistent with Sections 30230 and 30231, which address marine resources, and Section 30250, which addresses cumulative impacts, because of the potential adverse effects of drilling discharges on the marine environment. However, the Commission found that maximum feasible mitigation had been provided, and that the project was consistent with Section 30260(3).

4. Other Issues

- A. <u>Vessel Traffic</u>. The relevant Coastal Act policy was Section 30262(d), which addresses vessel traffic safety. The Santa Barbara Channel is characterized by substantial traffic, foggy or stormy weather several months of the year, and voluntary vessel traffic lanes. A drill rig located in the Channel posed risks to vessel traffic safety, and thus the project included use of a continually manned radar device with an audible alarm to mitigate the navigational safety problems. In light of the project modification, the Commission found the project consistent with Sections 30262 and 30260(3).
- B. Oil Spills. Due to the limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. However, the Commission found that the applicant had provided best available oil spill control and containment, and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3). (For list of measures see CC-3-84).
- C. <u>Geologic Hazards</u>. The project was located in areas with potential for shallow gas and gas charged sediments. The Commission found that the wells sites were safely located and that the project was consistent with Section 30253(1) and 30262(a) which address geologic hazards.
- 5. For More Information, Refer To: Staff Recommendation, dated October, 24, 1984.

CC-31-84 GULF, POE OCS-P 0505, 1 WELL FILE DATE: 09/27/84, MMS

I. Summary

The Commission objected to Gulf's POE for one well on OCS-P 0505, 4.2 miles west of Point Sal in the northern Santa Maria Basin. This was the first Lease Sale 73 POE to be considered by the Commission. The Commission had objected to that Lease Sale when it was proposed based on a number of grounds, including the need for further planning and cumulative impact analysis (see CD-28-83). According to the Commission's findings in that decision, experience had shown that these issues were not adequately addressed in the project-by-project review process subsequent to lease sales.

Shortly after the Commission's objection to Lease Sale 73, the Supreme Court ruled that the Commission's consistency authority did not encompass review of lease sales; rather the Commission must wait until specific proposals for exploration and development are submitted. In considering Gulf's POE, the Commission found that the planning and cumulative impact analysis noted above was still lacking; that allowing exploration and consequently possible development to occur on the lease sale 73 tracts, including P 0505, would lead to continued piecemeal and inefficient development at the expense of significant coastal resources; and that the project was therefore inconsistent with the public welfare, consolidation and cumulative impact policies of the Coastal Act.

The Commission found the project was inconsistent with policies of the Coastal Act relating to oil spills, marine resources, commercial fishing, air quality, and cumulative impacts. Under Section 30260, the Commission found that although the project (as modified during the consistency review process) mitigated impacts to the maximum extent feasible and no more environmentally preferable location was available, the public welfare was best served by deferring activities in Lease Sale 73 until the comprehensive planning and evaluation of cumulative impacts needed for the area were completed. The Commission therefore found the project inconsistent with Section 30260(2) and objected.

The Commission's objection was appealed to the Secretary of Commerce and the Secretary approved the POE, finding that it was consistent with the objectives of the Coastal Zone Management Act, based on the grounds identified in regulations adopted by the Secretary of Commerce (15 C.F.R. Section 930.121).

During the Commission's review, the following modifications were added to the project thereby reducing or mitigating its impacts: changes in drilling vessel anchor locations; an oil spill response drill to assess effectiveness in priority wetland areas; automatic radar plotting and warning devices; and additional equipment to clean up oiled seabirds in the event of oil spills. In addition, in accordance with the Lease Sale 73 DOI air quality stipulations, Gulf provided meteorological data to the Air Resources Board for air quality impact analyses.

II. Compendium

- 1. <u>Project Description</u>. POE and NPDES permit. The project consisted of one exploratory well (and associated discharges) on OCS-P 0505, northern Santa Maria Basin, 4.2 miles west of Point Sal. Drillship: the Diamond M. General. Water depth: 325 ft. Offshore Unit: adjacent to Point Sal Unit. Lease Sale: 73.
- 2. Commission Action and Date. Objection, February 14, 1985.

Context

This was the first tract from Lease Sale 73 to be considered by the Commission. The Commission had objected to that lease sale on the grounds that:

- (a) Infrastructure planning for the offshore area was needed prior to review of individual projects so that the area could be developed in a more coordinated fashion, facilitating consolidation and thereby significantly reducing environmental impacts (particularly with regard to oil transportation);
- (b) Comprehensive planning for adjacent onshore areas was needed to accommodate rapidly increasing OCS activity; (local jurisdictions were already struggling to keep pace with the impacts of previous OCS lease sales); and
- (c) Cumulative impacts of offshore operations on vessel traffic safety, commercial fishing activities, air and water quality, and other coastal resources had not been evaluated for the lease sale area.

Shortly after this objection, the Supreme Court ruled that the Commission did not have the statutory authority to address these issues via the federal consistency provisions at the time of lease sales, but must wait until specific proposals for exploration and development are submitted. In considering Gulf's POE, the Commission found that the planning and cumulative impact analysis noted above was still lacking; that allowing exploration and consequently possible development to occur on the lease sale 73 tracts, including P-0505, would lead to continued piecemeal and inefficient development at the expense of significant coastal resources; and that the project was therefore inconsistent with the public welfare, consolidation and cumulative impact policies of the Coastal Act.

4. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

A. Commercial Fishing

Mitigation In Project As Submitted:

- (1) Support vessels would use corridors established by the Joint Committee in the Santa Barbara Channel Oil Service Vessel Corridor Program;
- (2) Support boats would not be moored within Hueneme Flats, a traditional halibut fishing ground outside of Port Hueneme.

Project Modifications Made During the Consistency Review Process:

(1) Gulf agreed to keep the landward side anchors of the drilling vessel at a minimum distance from the vessel without compromising the integrity of drilling operations.

Basis: Sections 30230, 30231 and 30234 address commercial fishing. Anchor buoys and lines landward of the drilling vessel posed potential conflict with traditional commercial trawling activities, and crew and supply vessel traffic associated with this project also conflicted with set gear activities near Carpinteria and Port Hueneme. The above measures addressed these concerns; however, the Commission found that even with this mitigation, conflicts with fishing activities, both individually and cumulatively, could not be eliminated, and that the project was inconsistent with Sections 30230, 30231, 30234, and 30250. The Commission found that impacts had been mitigated to the maximum extent feasible, and that the project was therefore consistent with Section 30260(3); however, the Commission also found the project inconsistent with Section 30260(2) regarding public welfare (see Section 5(a) below).

Department of Fish and Game Fish Block: 632.

B. Oil Spills.

Mitigation In Project As Submitted:

- (1) Measures stipulated by the Memorandum of Agreement between MMS and the State of California for Lease Sale 73:
 - (a) Oil spill contingency plan;
- (b) State-of-the-art oil spill containment and cleanup equipment located on site;
- (c) Facilities and equipment to capture and clean oiled or injured sea otters, pinnipeds, and seabirds in the event of an oil spill.

Project Modifications Made During the Consistency Review Process:

- Gulf incorporated provisions for additional equipment for cleaning oiled sea otters and seabirds;
- (2) Gulf incorporated provisions for participation in an oil spill response drill aimed at evaluating the timeliness and effectiveness of protection offered to coastal streams and wetlands under the contingency plan.
- <u>Basis</u>: Section 30232 addresses oil spills; Section 30230 addresses marine resources; Section 30250(a) addresses cumulative impacts. The Commission found that even state-of-the-art oil spill containment and clean-up methods are not effective in preventing damage to coastal resources from large oil spills; the project was therefore inconsistent with Sections 30230, 30232 and 30250(a). The Commission found that maximum feasible mitigation was provided, and that the project was consistent with Section 30260(3). However, the Commission found the project inconsistent with Section 30260(2), regarding public welfare (see Section 5(a) below).

C. Vessel Traffic Safety.

Project Modifications Made During the Consistency Review Process:

(1) Installation of an automatic radar plotting device with an audible alarm.

<u>Basis</u>: Section 30262(d) addresses vessel traffic safety. The project was located north of the Vessel Traffic Separation Scheme (VTSS) in an area subject to inclement weather, fog, and substantial vessel traffic. The Commission found that temporary drilling operations at this location represented a potential hazard to navigation and posed the risk of oil spills, but that the risks to coastal resources were minimized by the above modification. The Commission therefore found that the project was consistent with Sections 30262 and 30260(3).

D. Air Quality.

Mitigation In Project As Submitted:

As a Lease Sale 73 activity, the project was subject to the air quality stipulations of the Lease Sale, as worked out through a Memorandum of Agreement between MMS and the State. These included:

- (1) Injection timing retard on the drilling vessel's diesel engines;
- (2) The venting of fugitive gases during well testing to a flare system equipped with a hydrogen sulfide scrubber;
- (3) The preparation of models to assess the cumulative impacts of offshore activities on onshore air quality.

Project Modifications Made During the Consistency Review Process:

 Provision of meteorological and fuel consumption data to the Air Resources Board (ARB) to validate the accuracy of Gulf's NOx emission data and help assess onshore impacts.

<u>Basis</u>: Section 30253(3) addresses air quality. The project would adversely affect onshore air quality. The applicant performed inert modeling to help predict impacts; however, the ARB stated that this project would be exempt from the ozone modeling stipulations attached to Lease Sale 73, provided the drilling did not occur during the "ozone season" from April to October (when onshore ozone levels are highest). Gulf's schedule indicated the drilling would be finished at the end of March. The Commission's past experience, however, supported a determination that unanticipated delays could extend the drilling operation into the "ozone season." Because ozone impacts were unknown, the Commission found the project inconsistent with Section 30253(3). With the above measures, the Commission considered impacts to be mitigated to the maximum extent feasible, and found that the project was consistent with Section 30260(3). However, the Commission found the project inconsistent with Section 30260(2) regarding public welfare (see following section).

5. Other Issues

A. <u>Cumulative Impacts and The Public Welfare</u>. The Commission noted that it had in previous actions found that onshore areas were already experiencing difficulty assimilating the cumulative impacts of previous lease sales. The Commission cited its decision on lease sale 73 that additional adverse impacts in the coastal zone caused by OCS exploration and development could be significantly reduced through efforts at coordination of timing, nature and extent of offshore operations and consolidation of infrastructure such as oil processing and pipeline through transportation facilities and crew support bases. The Commission determined that such orderly development was in the public interest because it would allow development of national resources to occur while minimizing adverse impacts, but that this required planning and adequate evaluation of cumulative impacts prior to commencement of individual projects.

In its consideration of public welfare for this project, then, the Commission weighed the detriment to public welfare of inadequate pre-development planning and cumulative impact analysis for the entire lease sale area against the public benefit of a single exploratory well. The Commission determined that permitting OCS activities within Lease Sale 73, in this case Gulf's POE, without adequate planning and cumulative impact evaluation, did not serve the public welfare (and was therefore inconsistent with Section 30260(2) and the CCMP) because it would result in uncoordinated, piecemeal and inefficient development of public resources. In considering the cost to public welfare of deferring this project, the Commission found that the resources would not be lost by deferring, but would be available for future exploration and development when planning and cumulative impact analysis was adequate to assure these activities could occur in a manner which minimized adverse impacts to the coastal zone as required by the Gulf's Coastal Act. The Commission therefore found that objection to POE at that time would not adversely affect the public welfare and was on balance consistent with the national interest.

- B. <u>Drilling Muds</u>. The Commission found that long-term and cumulative impacts of drilling muds were unknown and could adversely affect coastal zone resources. The Commission therefore found the project to be inconsistent with Sections 30230, 30231, and 30250(a) which address marine resources. The Commission found that impacts were mitigated to the maximum extent feasible, rendering the project consistent with Section 30260(3). As discussed in the previous paragraph, however, the Commission found the project inconsistent with Section 30260(2) on the basis of public welfare considerations.
- C. <u>Geologic Hazards</u>. No geologic issues were raised with this project, and the Commission found the project consistent with Sections 30253(1) and 30262(a) which address geologic hazards.
- 6. Appeal to the Secretary of Commerce. The Commission's objection to the subject Gulf POE was appealed to the Secretary of Commerce. The Secretary determined that the immediate impacts of this project alone were not sufficient to outweigh the project's contribution to national interest objectives. Regarding cumulative impacts, the Secretary did not address the implications of this decision for the entire Lease Sale area as the Commission

had done, but rather limited his evaluation to only that area which he felt could expect direct impacts from this project, and made the following determinations:

- (1) That the impacts of this project would be a very small incremental addition to the cumulative impacts expected for all OCS activities in the Northern Santa Maria Basin;
- (2) That the adverse impacts of a short-term activity need only be considered cumulative with other projects occurring simultaneously, not serially;
- (3) That onshore and infrastructure planning issues are more appropriately addressed during review of DPP's rather than POE's since exploration does not involve processing and transportation facilities;
- (4) That exploratory activity would complement, not conflict, with planning needs by providing information on available reserves; and
- (5) That deferring exploratory activities for Lease Sale 73 until previously leased tracts were developed, an alternative suggested by the Commission, would be infeasible because it would cause Gulf's lease to lapse.

The Secretary overrode the Commission's objection, finding the proposed project consistent with the objectives and purposes of the Coastal Zone Management Act, based on regulations adopted by the Secretary of Commerce. (15 C.F.R. Section 930.121.)

- 7. Related Commission Action. See Commission action on Lease Sale 73 (CD- $\overline{28-83}$), to be discussed in a later phase of the Compendium.
- For More Information, Refer To: Revised Findings, hearing date 3/12/85;
 Secretary of Commerce Decision and Findings, December 23, 1985.

CC-33-84 ARCO, POE OCS-P 0469, 0475, 8 WELLS FILE DATE: 10/19/84, MMS

I. Summary

The Commission concurred with ARCO's POE for 8 wells on two leases, OCS-P 0469 and 0475, midway between the City of Santa Barbara and Santa Cruz Island in the Santa Barbara Channel. Similar to a number of POEs reviewed and concurred with by the Commission in 1983, 1984, and 1985, the applicant provided: (1) a 24-hour radar alarm device; (2) the best available oil spill control and containment equipment identified by the Commission; (3) use of only chrome free lignosulfonates in the drilling muds. (The first two of these were in the project as submitted; the third was a project modification.)

On air quality, ARCO modified the project to provide air pollution control measures that had been worked out through a Memorandum of Understanding signed by MMS and ARB in conjunction with Lease Sale 73. These measures consisted of: (1) 4 degree injection timing retard on the drillship; (2) piping of vapors vented during well testing to a flare system for incineration; and (3) use of H₂S scrubbers to remove hydrogen sulfide from gas during well testing. ARCO also provided for collection of data for ARB on wind speed and direction, temperature, and fuel consumption.

On commercial fishing, ARCO modified the project to provide seasonal drilling restrictions to avoid drilling during the peak thresher shark season (with additional contingencies in the event unforeseen problems forced drilling into the peak season), post-construction surveying and site restoration, use of designated support vessel traffic routes, and avoidance of mooring any support vessels within the 10 fathom curve (the "Hueneme Flats").

II. Compendium

- 1. Project Description. POE, consisting of 8 exploratory wells, 6 on OCS-P 0469 and 2 on OCS-P 0475, located 10 to 13 miles south of Santa Barbara and 8 to 11 miles north of Santa Cruz Island in the Santa Barbara Channel. Drillship: Diamond M Falcon. Offshore Unit: Smuggler's Cove Unit. Lease Sale: 68. Water Depths: 620 to 1004 feet.
- 2. Commission Action and Date. Concurrence, February 14, 1985.
- Issues Involving Project Modifications Made During the Consistency Review Process.

A. Commercial Fishing.

Project Modifications Made During the Consistency Review Process:

(1) Limit the drilling of wells D and F on P-0469 to the time between Thanksgiving and April 30 and avoid exploratory activities on the remaining wells during the months of May, June, and July, to avoid the peak thresher shark fishing season;

- (2) In the event unforeseen problems caused drilling to encroach on the peak thresher shark season, ARCO agreed to:
- (a) work closely with the fishermen to avoid disruption of the fishing activities;
- (b) provide a boat monitor to coordinate boat traffic in the vicinity of the drill rig;
 - (c) limit operation of supply vessels at night to an emergency basis.
 - (3) Survey and restore the bottom of the ocean floor after drilling; and
- (4) Use designated support vessel traffic routes and avoid mooring any support vessels within the 10 fathom curve (the "Hueneme Flats").

<u>Basis</u>: Sections 30230, 30231, and 30234 address commercial fishing. Section 30250 addresses cumulative impacts. The project area was used for groundfish, shrimp and prawn trawling and gill net fishing for thresher shark. ARCO incorporated the above modifications to minimize impacts to thresher shark fishing, trawling, and nearshore fishing. Because of residual impacts, even with these measures the Commission found the project inconsistent with Sections 30230, 30231, 30234, and 30250, as it would still interfere with fishing activities. However, the Commission found the fisheries impacts were mitigated to the maximum extent feasible, and that the project was therefore consistent with Section 30260.

Department of Fish and Game Fish Blocks: 666 and 667.

B. Air Quality.

Project Modifications Made During the Consistency Review Process:

- (1) Four degree injection timing retard on the drillship;
- (2) Piping of vapors vented during well testing to a flare system for incineration;
- (3) Use of H_2S scrubbers to remove hydrogen sulfide from gas during well testing; and
- (4) Collection of data for ARB on wind speed and direction, temperature, and fuel consumption.

<u>Basis:</u> Section 30253(3) addresses air quality. Section 30250 addresses cumulative impacts. The Commission found that the project, even as modified, would contribute to ozone formation onshore. ARCO incorporated the above modifications, which had been worked out through a Memorandum of Understanding signed by MMS and ARB in conjunction with Lease Sale 73 (even though this was not a Lease Sale 73 lease). These modifications reduced the project's contribution to ozone formation and aided ARB in its studies to improve ozone problems. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), and Section 30250. However, the Commission found that with the

above modifications the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260.

C. Marine Resources/Drilling Muds/Water Quality

Mitigation in Project as Submitted:

(1) Compliance with EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

(1) Use of only chrome-free lignosulfonates.

Basis: Sections 30230 and 30231 address marine resources. Section 30250 addresses cumulative impacts. Chrome and ferrochrome lignosulfonates are toxic to marine resources. The above modification addressed this concern, as the applicant provided for use of only those lignosulfonates not including chromium. The Commission found the project inconsistent with Sections 30230 and 30231, because of the potential adverse effects of drilling discharges on the marine environment. However, the Commission found that maximum feasible mitigation had been provided, and that the project was consistent with Section 30260.

4. Other Issues

- A. <u>Vessel Traffic</u>. Section 30262(d) addresses vessel traffic safety. The project included use of a continually manned radar device with an audible alarm, and the Commission found that ARCO had mitigated navigational safety problems and that the project was consistent with Sections 30262 and 30260.
- B. Oil Spills. Section 30232 addresses oil spills. Section 30250 addresses cumulative impacts. Due to the limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Sections 30232 and 30250. However, the Commission found that the applicant had provided best available oil spill control and containment (for list of measures see CC-3-84), and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260.
- C. <u>Geologic Hazards</u>. The project was located in areas with potential for shallow gas and gas charged sediments. The Commission found no significant geologic issues were identified and that the project was consistent with Sections 30253(1) and 30262(a), which address geologic hazards.
- Related Commission Action. For similar commercial fishing considerations,
 CC-5-83 (the "Thresher Shark" case).
- 6. For More Information, Refer To: Staff Recommendation, dated 1/31/85 (hearing date 2/14/85) [Note: a typographical error on the staff report lists the dates as 1/31/84 and 2/14/84 these are incorrect, (the year should be 1985, not 1984)].

CC-35-84 CHEVRON, POE (WITHDRAWN) OCS-P 0210, 2 WELLS FILE DATE: 11/13/84, MMS

Summary and Compendium

Chevron proposed a POE for 3 exploratory wells on OCS Lease P-0210, located 12 miles southwest of Ventura in the eastern Santa Barbara Channel, Santa Clara Unit. The southwest corner of the lease was located within the Channel Islands National Marine Sanctuary. The POE was submitted on September 27, 1984. On April 12, 1985, Chevron withdrew its POE and consistency certification. As of this date of writing, this project has not been resubmitted.

CC-36-84 UNION, DPP, PLATFORM IRENE OCS-P 0441 FILE DATE: 09/06/84, MMS (ALSO CC-36-84A & E-85-10)

I. Summary

The Commission concurred with Union's proposal for Platform Irene, a 72-slot platform on OCS-P 0441, approximately 4.5 miles west of Point Pedernales in the central Santa Maria Basin. The project also included: 1) installation of three subsea pipelines to transport crude oil, gas, and water from Platform to shore; 2) continuation of three pipelines onshore to a proposed heating, dehydration and pumping facility at Lompoc; 3) construction of a one-quarter acre electrical substation at Surf; and, 4) installation of a submarine power cable leading from the Surf substation to Irene.

Important mitigation measures and modifications included:

- (1) Commitments for transportation of oil and gas by pipeline from the platform to onshore processing facilities in Lompoc facility and to onshore refineries:
- (2) Upon availability of pipeline with accessible capacity to market destinations, transportation of oil would be by pipeline and not from a marine terminal except during emergency, and any use of coastal onshore facilities would also occur only in conformance with the applicable local coastal plan;
- (3) Onshore and offshore construction limitations to mitigate environmental impact;
- (4) Participation in joint government/industry studies on oil transportation facilities, and cooperation with any pipeline companies proposing pipeline routes;
- (5) Consolidated offshore pipeline and power cables serving both the Union and the adjacent Exxon (Shamrock) platforms; the pipeline would be sized to accommodate Union's production and anticipated future central Santa Maria Basin production and electrical grid power would be provided, in a manner allowing hookups to any future platforms;
 - (6) Various vessel safety measures;
 - (7) Shoreline erosion monitoring at landfall; and
 - (8) Electric grid power and other air quality measures (including BACT).

II. Compendium

1. <u>Project Description.</u> DPP. Union Oil Company proposed Platform Irene, a 72-slot drilling and production platform on OCS-P 0441, approximately 4.5 miles west of Point Pedernales in Point Pedernales Field in the central Santa

Maria Basin offshore of Santa Barbara County. Union proposed to initially drill 43 wells (each requiring approximately one month to complete) beginning early 1986. Lease Sale: 53. Water depth: 242 feet. Offshore Unit: Point Pedernales Unit. Anticipated peak production: peak daily production at 20,000 barrels of oil per day (bbl/d) and 13.25 million cubic feet per day (mcf/d); ultimate recovery at 42.8 million barrels of oil and 51.1 billion cubic feet of gas.

The project also included: 1) three subsea pipelines to transport crude oil with entrained natural gas and water, associated gas, and produced water from Platform to shore; 2) a continuation of the pipelines onshore to Lompoc where a proposed heating, dehydration and pumping facility would be built; 3) an electrical substation on Vandenberg Air Force Base (VAFB) at Surf; and 4) a submarine power cable from the Surf substation to Platform Irene. From the Lompoc separation and dehydration facility, pipelines would carry gas to Union's Battles gas plant near Santa Maria and oil to Union's Santa Maria Refinery; from Santa Maria, oil would be transported by pipeline to Union's San Francisco Bay area refinery at Rodeo.

The pipelines between Irene and Lompoc and the Lompoc facility itself would be sized and designed to carry full production of Point Pedernales field (e.g. Platform Shamrock, on the adjacent lease [see CC-7-85]), and the electric power cable leading to Irene would provide power for future platforms.

- 2. Commission Action and Date. Concurrence, January 22, 1985.
- 3. <u>Issues Involving Project Modifications Wade During the Consistency Review Process</u>
 - A. Transportation of Oil.

Mitigation in Project As Submitted:

- (1) Use of pipeline transportation to shore and to Lompoc Separation Facility;
- (2) Pipelines between Platform Irene the Lompoc heating, dehydration and pumping facility would be sized to carry full production of Point Pedernales field.

Project Modifications Made During the Consistency Review Process:

- (1) Union (and its partners, Gulf and Superior) committed to pipeline transportation of oil from Platform Irene to the Lompoc facility, and ultimately to refinery destinations;
- (2) Union (and partners) would not sell oil to other companies as a means to avoid commitments to transport oil by pipeline, and any oil produced from Platform Irene and sold to other companies by Platform Irene producers would also be transported by pipeline if pipelines with accessible capacity were available.

Basis: Sections 30230, 30231, 30232, 30253, 30260 and Section 30262, address various resource issues and aspects of operations, including marine resource,

air quality, and consolidation. The Commission found that pipelines are the most environmentally sound method of oil transportation, and that pipeline oil transport is preferable to tankering as it reduces the potential risk of catastrophic oil spills and, further, reduces air emissions. Union addressed this concern by committing to pipeline transportation, as discussed in the above modifications. The Commission found that the above modifications provided maximum feasible mitigation and consolidation for the project, and that the project was consistent with Section 30260(3).

B. Oil Spills.

Mitigation in Project As Submitted:

- (1) Compliance with MMS requirements for: casing and casing-cement; blowout prevention equipment; mud program, testing and control; supervision and surveillance of activities; training of personnel; liquid and solid waste disposal; and pollution inspections and reports;
- (2) Oil Spill Contingency Plan ensuring, in the event of a spill, the immediate deployment of containment and cleanup equipment (located on the platform) which included: two 20ft. Boom Deployment (75 HP); one 32 ft. Oil Skimmer Deployment Boat (2-100HP); one 1600 ft. Wittaket Expandi Boom; one Walosep Oil Skimmer (Model WI) or equivalent; five 5-gallon Floating Oil Storage Bags; six Boxes Sorbent Boom; four Boxes Sorbent Pads; five Drums Dispersant (Corexit 9527); two Backpack Sprayers for Chemical Agent Application; and, any additional spill equipment required by the MMS Manager. Additionally, in the event of a spill, containment and cleanup facilities and procedures would be provided by Clean Seas' oil spill recovery and containment services, the Coast Guard Strike Force, and the U.S. Navy;
- (3) Routine monthly inspections of all emergency equipment to assure immediate response; and,
- (4) Regular inspection and maintenance of offshore pipeline and cable, and also cathodic protection and use of safety devices (e.g. automatic shutdown valves, flow safety valves, high and low pressure sensors).

Project Modifications Made During the Consistency Review Process:

- (1) Provision of best available oil spill containment and clean-up equipment, including the above measures, and also including:
- (a) oil storage capacity to handle skimmer until oil spill cooperative arrives with additional equipment;
 - (b) oil sorbent material capable of absorbing 15 barrels of crude oil.
 - (c) Clean Seas or equivalent measures, as discussed below.
- (2) Assurance of 1000 barrels of oil storage onboard the industry's Clean Seas Oil Spill Cooperative, Mr. Clean response vessel, which would be available within 6 hours prior to operation of Pedernales Field platforms;

- (3) In the event that the Clean Seas vessel was unavailable, at the time operations began, Union would share the capital and operation costs of an on-site (or within one hour of the site) fast response Clean Seas or Union vessel equipped with:
- (a) major open ocean oil skimmers, and at least 3000 ft. of oil containment boom;
 - (b) an onboard boat to assist boom deployment;
 - (c) adequate oil storage capacity;
 - (d) dispersant supplies and application equipment;
 - (e) a minimum of 1000 bbls of storage; and
- (4) Provision of additional information on dispersants and participation in dispersant testing, prior to operation of Point Pedernales Field platforms, and agreement that either Union or Clean Seas would stockpile a less toxic and more effective dispersant when it became available.

<u>Basis:</u> Section 30232 addresses oil spills. The Commission found that the effectiveness of available containment and clean-up equipment was limited in cleaning up large spills in open ocean conditions. Therefore, the Commission found Union's proposal, even as modified, inconsistent with Section 30232. However, the Commission found that the above modifications provided the maximum feasible mitigation, and that the project was consistent with Section 30260(3).

C. Marine Resources.

Mitigation in Project As Submitted:

- (1) Where the pipeline and powercable would come ashore, weighting and burial of the pipelines and powercables; and,
- (2) Marine biological survey, and subsequent rerouting of the pipeline corridor to the south of and entirely bypassing the single occurrence of rocky outcrop identified in the survey.

Project Modifications Made During the Consistency Review Process:

- (1) Restriction of all offshore construction activities to May through November to avoid interfering with marine mammals during the peak migration period, and the restriction of supply boats to prescribed vessel traffic routes to minimize channel-wide noise and collision impacts to marine mammals associated with construction and supply boats and helicopters; and,
- (2) Cooperation with the Fisheries and Environmental Training Program, and WOGA to improve, if necessary, information in the Program regarding gray whales and the avoidance of harassment to marine mammals.

Basis: Sections 30230 and 30231 address marine resources. Section 30250 addresses cumulative impacts. The Commission found that Union's proposal raised significant marine resource issues under these Coastal Act sections because the project would result in the following: (1) disturbance of marine mammals and other marine organisms from platforms, pipelines, construction equipment, crew and supply boats, and helicopters; (2) increased risk of oil spills; (3) ocean disposal of drilling muds and cuttings; and (4) adverse effects on both the commercial and sport fishing industry. Therefore, the Commission found the proposal inconsistent with Sections 30230, 30231, and 30250. The Commission found that with the above mitigation measures and modifications to reduce project-related impacts which could adversely affect marine mammals, that the impacts were to the maximum extent feasible and the project was consistent with Section 30260(3).

D. Drilling Muds/Water Quality.

Mitigation in Project As Submitted:

(1) Drilling muds and cuttings discharge in accordance with EPA NPDES permit and Pacific Areas OCS Order No. 7 which limited discharge amounts, including onshore disposal of oily or contaminated muds.

Project Modifications Made During the Consistency Review Process:

- (1) Use of chrome-free lignosulfonates only in the drilling muds; and
- (2) Implementation of all feasible mitigation measures appropriate to Platform Irene, identified in a joint government/industry drilling muds and cuttings discharge mitigation technique study then being conducted.

Basis: Sections 30230 and 30231 addresses marine resources. Section 30250 addresses cumulative impacts. Union estimated that each well would produce approximately 30 barrels per day (BBL/D) of cuttings and 107 BBL/D of muds. Evidence showed that drilling muds, on a cumulative basis, could adversely affect the environment. The Commission found that the discharge of muds and cuttings, even as modified, could cumulatively adversely affect marine resources, and, therefore, that the discharges would conflict with Sections 30230, 30231, and 30250. However, the Commission found that the above modifications mitigated the adverse impacts to the maximum extent feasible, and that the project was consistent with Section 30260. The Commission also noted that it could further address muds and cuttings concerns through its review of EPA's general NPDES permit (see CC-38-85 and CC-39-85).

E. Commercial Fishing.

Mitigation in Project As Submitted:

(1) Minimize seafloor anchor scarring during platform installation, by holding derrick barge in position using eight anchors and recovering the anchors in a manner by which negligible scarring of the seafloor would occur; and.

(2) Install the subsea pipeline by using the bottom pull method and, upon completion of pipeline installation, perform a side-scan sonar survey to determine if anchor scarring existed which would interfere with fishing operations. If the survey revealed scarring, Union would take necessary measures to re-establish the sea floor to its original condition.

Project Modifications Made During the Consistency Review Process:

- (1) Minimize impacts of supply boats, which could damage fishing gear and block access to Port Hueneme, by: using support boat routes adopted by the Joint Committee in Santa Barbara Channel Oil Service Vessel Corridor Programs; refraining from mooring support vessels within 10 fathoms of Hueneme Flats; and using helicopters for crew transport;
- (2) Enhance the visibility of pipeline protrusions through design and construction measures or use pipelines with minimal surface obstructions;
 - (3) Remove all pipeline and platform-related construction obstructions;
- (4) Notify commercial fishermen of the schedule and locations of construction activities through the Santa Barbara Marine Advisory Program Newsletter and Notice to Mariners; and,
- (5) Place platform mooring buoys in the same water depth as the platform and as near to parallel to the shoreline as possible.

Basis: The major project components would be located in an area where trawling, trolling, gill netting and trapping occurred. The project would adversely impact fishing activities by blocking access to traditional trawl areas and resulting in the disposal of project-related debris in fishing areas. The project would also increase the likelihood of an oil spill, which itself could adversely impact commercial fisheries in the following ways: (1) marine organisms could be coated with oil or ingest hydrocarbons thus tainting and/or reducing the total available catch; (2) fishing gear and vessels could undergo contamination and thereby require cleaning or replacement of gear and cleaning of vessels; and (3) fishermen could be prevented from leaving port due to the placement of oil containment booms. Even with the mitigation measures and modifications proposed to reduce the project-related adverse impacts to fishing operations, the Commission found that individual and cumulative adverse impacts were still likely to occur. Therefore, the Commission found the project, even as modified, inconsistent with Sections 30230, 30231, 30234, 30255, and 30703, which address commercial fishing and Section 30250, which addresses cumulative impacts. However, the Commission found that there was no less environmentally damaging location for the project, and that the above measures and modifications met the test of maximum feasible mitigation. The Commission therefore found the project consistent with Section 30260 (1) and (3).

Department of Fish and Game Fish Blocks: 644, 643, and 637.

F. Vessel Traffic Safety.

Mitigation in Project as Submitted:

- (1) Helicopter transport for platform crew changes;
- (2) Compliance with U.S. Coast Guard marine vessel requirements to minimize potential hazards associated with development;
- (3) Four quick-flashing lights atop the drilling mast and at the tip of each crane boom;
 - (4) Platform foghorn with 2-mile audible range;
- (5) Paint Irene in accordance with USCG recommendations, to enhance platform visibility; and.
- (6) Two 50-man self-propelled and contained escape capsules on the platform.

Project Modifications Made During the Consistency Review:

- (1) An Automatic Radar Plotting Aid (ARPA) to alert platform personnel of an approaching vessel's location:
 - (2) Daylight lighting when visibility was less than three miles;
- (3) Dual-fixtured (one blue and one amber globe) heliport perimeter lighting; and,
 - (4) Supply boats serving the platform adhering to prescribed routes.
- <u>Basis:</u> Due to lack of formal vessel traffic lanes and the extreme weather conditions in the project area, the Commission found that the project location could be hazardous to vessel traffic and increase the likelihood of collisions and oil spills. Therefore, the Commission found the project inconsistent with Sections 30232 and 30262(d), which address oil spills and vessel traffic safety. The Commission found that the above mitigation measures and modifications, however, constituted maximum feasible mitigation, and that the project was consistent with Section 30260.

G. Geologic Hazards.

Mitigation in Project as Submitted:

- (1) Design platform and onshore separation facility in accordance with API RP2A (American Petroleum Research Institute) and MMS standards; and,
- (2) Use of appropriate drilling and weights for proper well control during drilling operations, and the setting and grouting of well conductors and surface and intermediate casings at the proper depth to prevent drill fluid and hydrocarbon release.

Project Modifications Made During the Consistency Review:

- (1) Monitoring of land surface and nearshore ocean floor movements (for which liquid and gas extraction operators would assume financial responsibility) in locations of new large-scale fluid extraction on land or near shore before operations began, and continuation of monitoring until surface conditions stabilized, to mitigate potential geologic hazard;
- (2) Enhance pipeline bouyancy through its design to prevent liquefaction hazards;
- (3) Undertake a detailed beach profiling program for a minimum of six months beginning in January 1985;
- (4) Identification of shallow gas before drilling to mitigate hazards related to gas-charged sediments; and,
 - (5) Pipeline routing to avoid hardbottom outcrops in the nearshore area.

Basis: Sections 30253 (1) and (2) and 30262 address geologic hazards. Union incorporated the above modifications to address the geologic risks from seismicity, liquefaction, faulting, shallow gas hazards, slumping, and shoreline erosion (from pipeline landfalls). The purpose of the profiling program modification (No. 3) was to determine the maximum depth of scour represented by the winter beach profile, and thus ensure pipeline coverage during their intended design lives. The proposed monitoring program would also help ensure that protective devices would not be necessary to protect the pipelines from future storm waves. The Commission found that its review of offshore geotechnical studies revealed that no major geologic hazards were present that would preclude development of the Point Pedernales Field at the proposed platform location and pipeline corridor. Therefore, the Commission found the the proposed platform and pipeline corridor, as modified, consistent with Sections 30253 and 30262.

H. Air Quality.

Mitigation in Project as Submitted:

- Platform use of electrical power (rather than diesel or gas-fired generators on the platform); and
- (2) Onshore emission reductions from the Lompoc Field oil treating facility, including:
 - (a) low NOx burners on the heater treaters at the onshore facilities;
 - (b) H2S scrubber for the fuel gas used in the heater treaters;
 - (c) emergency gas scrubber and flare; and,
- (d) "special economizers" for recovering waste heat from flue gases/heater treaters.

Project Modifications Made During the Consistency Review:

- (1) Use of Best Available Control Technology including:
- (a) Injection timing retard on project-related supply vessels to reduce NOx emissions as long as safety and equipment are not compromised;
- (b) Offshore and onshore vessels connected to a low pressure gas gathering system or vapor recovery system to reduce hydrocarbon emissions (gas recovered from these systems would be compressed to pipeline and transmitted to the Battles Plant for processing and sale);
 - (c) Platform and onshore emergency flares;
- (d) Gas scrubber installed upstream from each flare to remove and contain any entrained liquids;
- (e) Water sprays used during construction phase to reduce fugitive dust emissions, and an inspection and maintenance program to reduce fugitive hydrocarbon emissions; and
 - (f) Onshore and offshore H2S monitors.

<u>Basis:</u> Section 30253(3) addresses air quality and Section 30250 addresses cumulative impacts. The Commission found that the project would adversely affect onshore air quality. At the time of Commission action, Union's EIR/S was incomplete. The Commission found that Union's air quality information in the DPP was inconclusive and inadequate. The Commission therefore found that it lacked the data necessary to fully analyze the project's air quality impacts and thus found the project inconsistent with Sections 30253(3) and 30250. However, The Commission found Union's commitment to provide the above mitigation measures and modifications, as well as transportation of oil by pipeline, mitigated air quality impacts to the maximum extent feasible, and that the project was consistent with Section 30260(3).

4. Other Issues

A. <u>Land Resources</u>. Sections 30230 and 30231 address coastal waters, including streams and wetlands. The pipeline route was proposed through Vandenberg Air Force Base. Coastal zone resources possibly affected by the pipeline route included the Santa Ynez River estuary and associated wetlands, including the habitat of endangered California least tern habitat which forages in these wetlands. Addressing this potential disturbance to least tern habitat, Union proposed in its submittal to schedule construction activity outside of the least tern breeding season, which is approximately April 15 through August 15. Addressing sensitive plant species, Union committed in its submittal to avoid, if possible, pipeline construction impacts to rare, threatened, or endangered species. If not possible, Union's submittal included measures to mitigate identified losses including: (1) replanting onsite and offsite; (2) minimizing impacts to two rare plant species endemic to San Luis Obispo and Santa Barbara Counties; and (3) enhancing some other population of rare, threatened, or endangered species.

Union agreed to regrade cut and fill areas along pipeline route to match the original contours and revegetate with native plant species. Because pipeline construction could result in excessive erosion and sedimentation of the Santa Ynez River and adversely affect nursery fish habitat, Union proposed to undertake erosion control measures to prevent excessive sedimentation to the Santa Ynez River and tributary crossings. As stated in the above geologic section, Union agreed to conduct a beach profile survey at the pipeline landfall beginning immediately and continuing for a minimum of six months. The Commission found that the pipeline route Union proposed in its submittal was the least environmentally damaging route, and that with the above measures, the project was consistent with Sections 30230 and 30231 with respect to land resources.

- B. Visual and Scenic Resources. Union proposed the onshore substation to utilize architectural features which would screen the facility from Ocean Beach Park; if necessary, native landscape would be used to augment The Commission found that the platform and associated facilities would have a significant adverse visual impact, because they would introduce long-term industrial structures to a previously natural and highly scenic seascape, and that helicopters and support boats would increase this impact. The Commission therefore found the project inconsistent with Section 30251, which addresses scenic and visual resources. However, the Commission found that mitigation to the maximum extent feasible had been provided, and that the offshore and nearshore portions of the project was consistent with Section 30260(3), due to measures in the project submittal including: onshore (as opposed to offshore) separation and dehydration; utilization of a pipeline system instead of tankers; burial of the pipeline (3 feet deep) onshore; and use of helicopters for production crew changes to minimize supply boat use. The Commission found the onshore facilities were located beyond the coastal zone boundary, and in any event would be hidden by geologic features. thus avoiding visual impacts.
- C. <u>Public Access and Recreation</u>. The Commission found that when considering cumulative impacts, the project would adversely impact public access and recreation by decreasing the capacity of Highway One (an important coastal access route) and would be inconsistent with Sections 30210-30212 and 30252, which address public access and low-cost visitor serving and recreational facilities. However, the Commission found that the use of local labor exclusively and transporting crew by helicopter from Lompoc would minimize adverse impacts on recreational traffic and minimize increased demands on existing recreation areas such as Ocean Beach County Park. The Commission therefore found that, as submitted, maximum feasible mitigation was provided, and that the project was consistent with Section 30260(3).
- D. Archaeological Resources. Two historic shipwreck sites were located in the vicinity of the powerline corridor. Evaluation of the marine geophysical survey data indicated one potential anomaly indicative of a possible shipwreck site approximately 300 feet south of the proposed powerline in 60 feet of water. Addressing this possible shipwreck, Union proposed to employ divers to locate the anomaly indicated in a cultural survey report. Following actual identification by the divers, the anomaly would be marked with buoys and avoided during subsea cable laying operations. Installation of the cable by a self-propelled ship meant anchors would not be used, and would make it

possible to install the cable some 500 feet north of the anomaly, thus avoiding disturbance the area. Upon completion of the job, the buoys would be removed. With these commitments to locate the pipeline route to avoid anomalies, the Commission found the project consistent with Section 30244, which addresses archaeological resources.

E. <u>Consolidation of Facilities/Cumulative Impacts</u>. Section 30250(a) addresses cumulative impacts on coastal resources. The Point Pedernales Field lies under at least four OCS leases (OCS-P 0437, 0438, 0440, and 0441). The Commission noted full development of the OCS portion of the field would involve, at a minimum, Platforms Irene and Shamrock (CC-7-85), and that Platform Irene would be the field's first and central platform.

The Commission noted that MMS required Union and Exxon to develop the field with the minimum number of platforms. The Commission found that Union's commitment to use consolidated pipelines, power cable, and processing facilities, designed to transport oil and gas production from other platforms in the central Santa Maria Basin to an onshore separation and dehydration facility, was a major step towards developing maximum feasible mitigation measures to reduce impacts on the resources. The electric power cable, from the existing Pacific Gas and Electric Company grid system, was designed to allow other operators in the vicinity to hook in. Although, the Commission found the project inconsistent with Section 30250 in light of the cumulative impacts on marine resources, commercial fishing and air quality, that with Union's commitments to consolidation and transportation of oil by pipeline to mitigate impacts to the maximum extent feasible, the project was consistent with Section 30260(3).

- 5. Related Commission Action. The Commission noted that after the EIR/S was completed, if the final pipeline alignment changed substantially relative to the route presented in Union's DPP, then any new route would be submitted to the Commission as a revised consistency certification. A new route was subsequently proposed, and submitted to the Commission in CC-36-84A and E-85-10, which involved Commission concurrence with/approval of: 1) a consistency certification amendment for the rerouting of the onshore pipeline from Platform Irene; and, 2) a coastal development permit for that part of the project located through state waters.
- 6. For More Information, Refer To: Final Staff Recommendation (CC-36-84), dated January 22, 1985; (see also Final Staff Recommendation on Permit and Consistency Certification Amendment (CC-36-84-A and E-85-10), October 1, 1985).

CC-36-84-A AND E-85-10 AMENDMENT TO DPP, PLATFORM IRENE OCS-P 0441, FILE DATE: 07/01/85, MMS

I. Synopsis

This project involved Commission action on a combined consistency certification amendment and coastal development permit. On January 22, 1985, the Commission concurred with Union's consistency certification (CC-36-84) for Platform Irene (see above). The Commission noted in that case that any substantial pipeline alignment change indicated in the completed project EIR/EIS would be submitted as a revised consistency determination or certification to the Commission. The completed version of the EIS/R called for the development of a pipeline corridor that used the original landfall but ran approximately 2000 feet further north from the preferred route in the original DPP, to provide a buffer for the Santa Ynez River estuary and adjacent wetlands. Hence, the pipeline realignment on Vandenberg Air Force Base (VAFB) was the subject of this consistency certification amendment (CC-36-84-A).

This project also consisted of a coastal development permit, E-85-10, for the installation of: (1) three pipelines through state waters from Platform Irene (installed in mid-August 1985) sized to carry the full production of the Point Pedernales Field and carry crude oil with entrained natural gas and water, associated gas, and separated water from the Lompoc separation facility to Platform Irene for disposal; (2) a pipeline route to shore with a landfall approximately one half-mile north of the Santa Ynez River on Vandenberg Air Force Base; and, (3) a submarine power cable from a substation at Surf through state waters to Platform Irene.

The important mitigation measures, which had evolved from the completed EIR/S and County permit conditions, included: (1) relocation of the pipeline approximately 2,000 feet further north, in order to further buffer the Santa Ynez River and adjacent wetlands, as developed in the EIS/R process; (2) contribution to a Santa Barbara local fishermen's contingency fund and fisheries enhancement fund; (3) a post-construction survey; (4) the use of berms and dikes to reduce potential for an oil spill adversely impacting the estuarine resources; (5) moving Terra Road further from the estuary to reduce impacts; (6) installing check valves to limit the amount of oil which could possibly spill in the area where pipeline crosses the flood plain and a spill might affect the wetlands; and (7) compliance with Santa Barbara County's permit conditions to contribute to the Coastal Resource Enhancement Fund (CREF).

These measures were incorporated into both the permit and consistency certification. The following report addresses both the consistency certification and the permit.

II. Compendium

1. <u>Project Description</u>. The subject consistency certification addressed changes to the consistency certification for Union's Platform Irene DPP with which the Commission concurred on January 22, 1985. The subject consistency certification covered the rerouting of the oil and gas pipelines approximately

2,000 feet northward of the originally proposed route, which were to run approximately one-half mile north of the Santa Ynez River on Vandenberg Air Force Base (VAFB), and 11.7 miles to Lompoc, Santa Barbara County. The consistency certification was combined with a coastal development permit since the project consisted of both activities within state waters and activities on federal lands. The project consisted of three pipelines to transport crude oil with entrained natural gas and water, associated gas, and produced water from Platform Irene on OCS-P 0441 (approximately 4.5 miles west of Point Pedernales in Point Pedernales Field, Santa Barbara County) through state waters and onshore to a processing facility at Lompoc.

The project also included a submarine power cable from Union's substation at Surf through state waters to Platform Irene. The cable and pipelines were sized and designed to accommodate future Point Pedernales field platforms. From Lompoc, pipelines would carry gas to Union's Battles gas plant near Santa Maria and oil to Union's Santa Maria Refinery, and from Santa Maria oil would be transported to Union's San Francisco refinery at Rodeo.

- 2. <u>Commission Action and Date.</u> Concurrence/Approval with Conditions, August 30, 1985. The Commission's conditions incorporated the mitigation measures contained in Union's DPP.
- Issues Involving Conditions/Mitigation Measures

Note: This compendium only discusses issues not previously discussed in CC-36-84.

A. Commercial Fishing.

Mitigation in Project as Previously Submitted:

(See CC-36-84).

Mitigation in Project As Amended (Incorporated as Permit Conditions):

- (1) Compliance with Santa Barbara County's permit condition that Union contribute to a local fishermen's contingency fund and fisheries enhancement fund. Union would contribute \$5,000 for the offshore construction activities, and \$3,250 annually for the actual production life of the project.
- (2) Moor support boats during construction within the construction zones to contain the impacts of these activities, and submit results of a post-construction survey to the Executive Director 15 days after completion, provide 30-day notice of its construction activities to fishermen, and seek an amendment to the subject permit if Union chose to use a support boat base not identified in the coastal development permit application.
- <u>Basis:</u> As discussed in CC-36-84, Platform Irene and associated pipelines would adversely impact trapping, and hook and lining, and gillnetting fisheries. The enhancement and contingency funds were provided to mitigate the project's preclusion of traditional trawl areas, disposing project related debris in the fishing areas, and snagging trawl nets. These funds would be used as a loan program to provide speedy reimbursements for gear loss or damage while fishermen wait for federal payments and claims not covered by the federal program. The enhancement fund would also provide capital and

operating expenditures to enhance the fishing industry's ability to catch, land and process commercially valuable fish stocks (programs eligible for funding included fishery enhancement; pier, dock and harbor improvements; promoting marketing of local fish resources; and seafood hoisting equipment). Even with these mitigation measures the Commission found the project would still cause adverse impacts, such as blocking of access to traditional fishing areas during pipeline construction activities, disposing of project related debris in fishing areas, and cumulative impacts on fishing operations and fishing related businesses when considered with other future development in the Santa Maria Basin and Santa Barbara Channel. Thus, the Commission found the project even as conditioned, inconsistent with Sections 30230, 30231, 30234, 30255, and 30703, which address commercial fishing, and 30250, which addresses cumulative impacts. Under Section 30260(3) and that the adverse impacts on commercial fishing were mitigated to the maximum feasible.

The portion of the pipeline located in state waters would occur almost exclusively in DFG Fish Block 637. A small portion of the pipeline covered by this permit will be located in Fish Block 644.

B. Land Resources.

Mitigation in Project as Previously Submitted:

(See CC-36-84).

Mitigation in Project As Re-Submitted (Incorporated as Permit Conditions):

- (1) Pipeline relocation approximately 2,000 feet further north, in order to further buffer the Santa Ynez River and adjacent wetlands;
- (2) Use berms and dikes to reduce potential for an oil spill adversely affecting the wetland resources;
- (3) Move Terra Road further from the wetland, thereby reducing the impacts on that sensitive area associated with Terra Road.
- (4) Increase corrosion allowance of the pipelines and install check valves to limit the amount of oil which could possibly spill for the area where pipeline crosses the flood plain and a spill might affect the wetlands.

<u>Basis</u>: Sections 30230 and 30231 address marine resources and coastal waters. Because the proposed onshore project could adversely affect California least tern habitat and other resources, the above mitigation measures were provided and required as conditions in the revised project to address these impacts. The Commission found that, with the pipeline relocation to further reduce impacts of construction and oil spills on the Santa Ynez River, and pipeline design modifications and erosion control measures to further reduce impacts, the project, as conditioned, was consistent with Sections 30230 and 30231.

C. Public Access and Recreation.

Mitigation in Project As Re-Submitted (Incorporated as Permit Conditions):

(1) Compliance with Santa Barbara County's permit conditions to contribute annually to the Coastal Resource Enhancement Fund (CREF). Union's contribution was not to exceed \$325,000 for the life of the project.

<u>Basis</u>: When combined with other projects proposed for construction during the 1985 to 1988 period, the Commission found that the project would adversely impact public access and recreation. The Commission, therefore, found the project inconsistent with Sections 30210, 30213, 30220, 30221 and 30252, which address public access. However, as conditioned above, the Commission found the project provided maximum feasible mitigation and was consistent with Section 30260(3).

- 4. Related Commission Action: On January 22, 1985, the Commission concurred with Union's consistency certification (CC=36-84) for Platform Irene and related components including three subsea pipelines extending from Irene and continuing onshore and a submarine power cable leading from the Surf substation to Irene. The completed EIS/R for that project called for a substantial pipeline alignment which was submitted to the Commission as a revised consistency determination or certification. This pipeline realignment on Vandenberg Air Force Base (VAFB) was the subject of consistency certification amendment (CC-36-84-A). The remainder of the project was the subject of coastal development permit E-85-10 for three pipelines, a pipeline route to shore, and a submarine power cable.
- 5. For More Information, Refer to: Final Staff Recommendation on Permit and Consistency Certification Amendment (CC-36-84-A and E-85-10), October 1, 1985. See also, Final Staff Recommendation on Consistency Certification (CC-36-84), January 22, 1985.

CC-7-85 EXXON, DPP, PLATFORM SHAMROCK OCS-P 0440, 0438 FILE DATE: 01/02/85, MMS

I. Summary

The Commission concurred with Exxon's consistency certification for construction and operation of Platform Shamrock, a 60-slot drilling and production platform, two subsea pipelines (gas and oil/water emulsion) and a submarine power cable connecting the new platform with Union Oil's Platform Irene proposed on the adjacent tract to the east. The platform would be located on OCS-P 0440, 7 miles west of Point Pedernales offshore of Santa Barbara County in the central Santa Maria Basin.

Important project modifications included:

- strengthened commitments for pipeline transportation of oil not just to shore but onshore to the refinery as well;
- the use of shore-based power from PG&E rather than five gas turbine generators as originally proposed, thereby considerably reducing air quality impacts:
- a commitment to limit all construction activity to the months of May through November to avoid peak gray whale migration periods:
- an agreement to expand the holding capacity of the Clean Seas Cooperative oil spill response vessel, thereby increasing its effectiveness in the event of large oil spills;
 - elimination of chrome-based lignosulfonates from drilling muds;
- reduction of conflict with commercial fisheries by adopting specific supply boat routes, refraining from mooring supply boats in the Hueneme Flats area (traditional halibut grounds), conducting post-construction surveys and recovering obstructions which might otherwise damage trawling gear;
- installation of foghorns and an Automatic Radar Plotting Aid to reduce vessel traffic safety hazards;
- injection timing retard on crew and supply vessels to reduce NOx emissions.

The Commission determined that the above modifications, and particularly Exxon's commitment to consolidation and pipeline transportation of oil recovered by the project, constituted maximum feasible mitigation of adverse impacts.

II. Compendium

1. <u>Project Description</u>. DPP. Exxon Company proposed to construct and operate Platform Shamrock, a 60-slot drilling and production platform on OCS-P 0440, Point Pedernales Unit, approximately 7 miles west of Point Pedernales, central Santa Maria Basin, Santa Barbara County. The project included two subsea pipelines (oil/water emulsion and gas) 2.5 miles in length, from the proposed platform Shamrock to Union Oil's Platform Irene proposed on the adjacent tract to the east, and a submarine power cable from Platform Irene to Platform Shamrock. Lease Sale: 53. Water depth: 285 ft. Offshore Unit: Point Pedernales Unit. Platform is also known as Platform Independence.

Anticipated peak production: 20,000 bbl/day and 45 MCF/D (million cubic feet per day) of gas. Total production of the Point Pedernales Field, to be recovered by Platforms Shamrock and Irene, was estimated at 100-150 million bbl of oil and 60-100 billion cubic feet of gas.

- 2. Commission Action and Date. Concurrence, March 12, 1985.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>
 - A. Transportation of Crude Oil Recovered.

Mitigation in Project As Submitted:

(1) Pipeline transportation in certain circumstances.

Project Modifications Made During the Consistency Review Process:

(1) Exxon and its partners committed to transport oil by pipeline in accordance with the Santa Barbara County Oil Transportation Policies, which had been adopted as amendments to the Santa Barbara County LCP in September, 1984. These amendments would only allow tankering in limited circumstances and only after certain determinations were adopted by the county. [Note: an action by the County to approve a transportation mode other than pipelines is appealable to the Coastal Commission.]

<u>Basis</u>: Sections 30230, 30231, 30253, 30260, and 30262 address various coastal resource issues and aspects of operations, including marine resources, air quality, and consolidation. The Commission determined that pipelines would provide the most environmentally protective method of oil transportation, and that pipelines are preferable to tankering in terms of reduced risk of catastrophic oil spills and reduced air emissions. The Commission found that the above modification provided maximum feasible mitigation and consolidation for the project, rendering the project consistent with Section 30260.

B. Oil spills.

Mitigation in Project As Submitted:

(1) Oil spill containment and clean-up equipment similar to that provided by applicants during the Commission's review of previous projects. This included a standby vessel onsite or within 15 to 60 minutes of the site with:

- (a) 1500 feet of open-ocean oil spill containment boom;
- (b) an open-ocean skimmer;
- (c) a second on-site boat to assist in boom deployment;
- (d) oil storage capacity to handle skimmer throughput until the oil spill cooperative could arrive from shore with additional equipment;
- (e) dispersant chemicals; and
- (f) sorbent material capable of absorbing 15 barrels of crude oil.

Project Modifications Made During the Consistency Review Process:

(1) Expand the storage capacity of the Clean Seas Cooperative vessel, Mr. Clean, from 500 to 1000 bbl.

<u>Basis</u>: Section 30232 addresses oil spill protection. The Commission found that the project presented oil spill risks, and that even state-of-the-art oil spill containment and clean-up equipment was incapable of effectively preventing large oil spills, protecting marine resources, and preventing spills from contacting the coast. The Commission therefore found the project inconsistent with Section 30232. However, the Commission found that with the above modification, Exxon had provided mitigation to the maximum extent feasible in regard to oil spills, and that the project was therefore consistent with Section 30260.

C. Marine Resources.

Mitigation in Project As Submitted:

(1) Wildlife training programs for crews.

Project Modifications Made During the Consistency Review Process:

- (1) All offshore construction activity limited to May through November to avoid the peak gray whale migration period;
- (2) Use of specific vessel traffic routes to minimize noise impacts from crew and supply boats on migrating whales.

<u>Basis</u>: Sections 30230 and 30231 address marine resources. No rocky outcrops were found during site-specific marine surveys near the site of the proposed platform and pipeline, and the faunal assemblage at the site was considered typical for the area. The Commission therefore determined that the construction phase as proposed was consistent with Coastal Act policies with respect to impacts on benthic resources. The project would, however, result in adverse impacts inconsistent with Sections 30230 and 30231 related to disturbance of marine mammals and other marine organisms from platform and pipeline construction, crew and supply boat traffic, and helicopter

fly-overs. The Commission therefore found the project inconsistent with Sections 30230 and 30231. The Commission determined that, with the above modifications, marine mammal impacts were mitigated to the maximum extent feasible and the project was therefore consistent with Section 30260.

D. Drilling Muds/Water Quality.

Mitigation in Project As Submitted:

(1) Compliance with EPA general permit.

Project Modifications Made During the Consistency Review Process:

- (1) Use only chrome-free lignosulfonates in the drilling muds to reduce problems with bioaccumulation of chromium, which can be highly toxic; and,
- (2) Implement any feasible mitigation measures identified in an ongoing joint government/industry study on muds and cuttings discharge mitigation techniques.

<u>Basis</u>: Sections 30230 and 30231 address marine resources; Section 30250 addresses cumulative impacts. The Commission found that the evidence led to the conclusion that drilling muds discharges would, individually or cumulatively, adversely affect marine resources and that the project was inconsistent with Sections 30230, 30231, and 30250(a). However, the Commission determined that the above mitigation measures and modifications would help reduce adverse impacts to marine resources and represented maximum feasible mitigation, rendering the project consistent with 30260 with regard to drilling muds.

E. Commercial Fishing.

Mitigation in Project As Submitted:

- (1) Commitments to use pipelines and cables with a minimum of surface protrusions, and to shroud those protrusions which were necessary to prevent damage to trawl nets; and,
 - (2) Notify fishermen in advance of scheduled activities.

Project Modifications Made During the Consistency Review Process:

- (1) Use of supply boat routes adopted by a Joint Committee in the Santa Barbara Channel Oil Service Vessel Corridor Programs;
- (2) Commitment to refrain from mooring support vessels in the Hueneme Flats area (traditional halibut grounds);
- (3) Use of techniques which minimize anchor scarring when laying the pipeline;
- (4) Post-construction surveys near platform and pipelines and removing all artificial obstructions;

- (5) Dragging of the bottom where equipment was lost overboard and, if not recoverable, publishing notice of its location; and,
- (6) Placement of platform mooring buoys in the same water depth as the platform and as nearly parallel to shoreline as possible, thereby reducing size of area lost by trawlers.

<u>Basis</u>: Sections 30230, 30231, 30234, and 30703 address commercial fishing; Section 30250 addresses cumulative impacts. The Commission identified the following impacts associated with Exxon's project:

- displacement of traditional trawling areas;
- disposal of project-related debris in fishing areas which could later damage fishing gear; and
- damage to nearshore set gear by crew and supply boat traffic.

The Commission determined that although the above mitigation measures would ameliorate some conflicts with commercial fishing activities, even with these measures nearshore trapping and gill-netting grounds would be displaced by vessel traffic corridors, trawling and gill-netting would be disrupted during construction of the pipeline and platform, and fishing activities would be displaced in the immediate area of the platform for the working life of the platform. The Commission therefore found the project to be inconsistent with Sections 30230, 30231, 30234, 30250, and 30703 of the Coastal Act. Because it found that adverse impacts had been mitigated to the maximum extent feasible, however, the Commission found the project to be consistent with 30260 in regard to fisheries impacts.

Department of Fish and Game Fish Blocks: 644 and 659.

F. Vessel Traffic Safety.

Mitigation in Project As Submitted:

(1) Installation of lights conforming to Coast Guard regulations.

Project Modifications Made During the Consistency Review Process:

- (1) Installation of a foghorn; and,
- (2) Installation and use of an Automatic Radar Plotting Aid (ARPA).

<u>Basis</u>: Section 30262(d) addresses vessel traffic safety; Section 30232 addresses oil spills. The Commission found that the placement of a platform in an area of heavy vessel traffic, subject to extreme weather conditions and with no traffic lanes, posed a substantial hazard to vessel traffic safety which could increase the likelihood of a catastrophic oil spill. The Commission therefore found the project to be inconsistent with Sections 30262(d) and 30232. The Commission determined that with the above mitigation and modifications, however, the project included maximum feasible mitigation of vessel traffic safety impacts and was therefore consistent with Section 30260.

G. Air Quality.

Mitigation in Project As Submitted:

- (1) Vapor recovery systems to reduce fugitive hydrocarbons;
- (2) Safety relief valves vented to a closed flare header system; and,
- (3) An inspection and maintenance program for all emission reduction systems.

Project Modifications Made During the Consistency Review Process:

- Primary power from the Pacific Gas and Electric electrical grid system via cable from Platform Irene instead of five gas turbine generators as originally proposed;
- (2) Installation of gas scrubbers upstream of the flare system to remove entrained liquids;
- (3) Installation of hydrogen sulfide monitors on the platform; and,
- (4) Use of injection timing retard on crew and supply vessels to reduce NOx emissions.

Section 30253 addresses air quality; Section 30250 addresses cumulative impacts. The Commission found the project would adversely affect onshore areas, including areas already in non-attainment status. The Commission found the information submitted by the applicant inadequate to assess the extent of impacts. The Commission therefore found the project, even as modified, inconsistent with Sections 30253 and 30250.

The mitigation measures and modifications as finally proposed, combined with Exxon's commitment to use pipeline transportation of recovered oil, represented major reductions in air quality impacts. The Commission determined that air quality impacts were mitigated to the maximum extent feasible and that the project was therefore consistent with Section 30260.

4. Other Issues

- A. <u>Geologic Hazards</u>. The Commission found that no geologic constraints existed at the proposed platform site or within the pipeline corridor, and that the project was therefore consistent with Sections 30253(1) and 30262(d), which address geologic hazard.
- B. <u>Visual Impact</u>. Section 30251 addresses visual impact. The Commission found that the platform would have a significant adverse impact on the visual quality of the coastal zone, and was therefore inconsistent with Section 30251. Because the platform was designed to be as small as possible, with the separation and dehydration facilities being sited onshore, the Commission determined that visual impacts were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260.

- C. <u>Archeological Resources</u>. Section 30244 addresses archaeological resources. Site-specific surveys indicated that no cultural resources would be affected by the proposed construction. The Commission therefore found the project consistent with Section 30244.
- D. <u>Consolidation/Cumulative Impact Issues</u>. Sections 30250 and 30260 address cumulative impacts and mitigation to the maximum extent feasible. The Commission determined that this and other nearby projects would have significant and adverse cumulative impacts in relation to marine resources, commercial fishing, air quality, vessel traffic safety, and onshore land use planning, and that the project was therefore inconsistent with Section 30250(a). However, under the provisions of Section 30260, the Commission found that no other location for the platform would result in less adverse environmental impacts, and that the use of consolidated pipelines, electric power cables and onshore processing facilities would consolidate facilities and thus mitigate cumulative impacts to the maximum extent feasible. The Commission therefore found the project consistent with Section 30260.
- 5. Related Commission Action. On January 22, 1985, the Commission concurred with Union Oil's consistency certification for Platform Irene on the adjacent lease to the east (see CC-36-84). As discussed above, Platform Shamrock's electrical cable and pipeline to shore would hook up via Platform Irene.
- For More Information, Refer To: Final Staff Recommendation, dated 3/12/85.
 1997N, p. 55

CC-15-85 CHEVRON, POE OCS-P 0499, 0500, 6 WELLS FILE DATE: 05/03/85, MMS

I. Summary

The Commission concurred with Chevron's POE for 6 wells on OCS-P 0499 and 0500, located 12 miles northwest of Point Arguello in the central Santa Maria Basin. Similar to a number of POEs reviewed and concurred with by the Commission in 1983, 1984, and 1985, the applicant provided: (1) a 24-hour radar alarm device; (2) the best available oil spill control and containment equipment identified by the Commission; (3) use of only chrome free lignosulfonates in the drilling muds. (The first two were in the project as submitted; the third was a project modification.)

On air quality, Chevron incorporated measures consisting of: (1) 4 degree injection timing retard on the drillship; (2) piping of vapors vented during well testing to a flare system for incineration; and (3) use of $\rm H_2S$ scrubbers to remove hydrogen sulfide from gas during well testing.

On commercial fishing, Chevron deleted 3 of the wells, which were located in prime commercial fishing locations, and committed to perform post-construction surveying and site restoration.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of 6 exploratory wells as originally proposed, subsequently scaled back to 3 wells, on OCS leases P-0499 and 0500, approximately 12 miles northwest of Point Arguello in the central Santa Maria Basin. Drillship: Diamond M Eagle. Water Depths: 560 to 1,280 feet. Lease Sale: RS-2. Offshore Unit: Bonita Unit.
- 2. Commission Action and Date. Concurrence, October 24, 1985.
- 3. Issues Involving Project Modifications Made During the Consistency Review
 - A. Air Quality.

Project Modifications Made During the Consistency Review Process:

- 4 degree injection timing retard on the drillship;
- (2) Piping of vapors vented during well testing to a flare system for incineration; and
- (3) Use of H_2S scrubbers to remove hydrogen sulfide from gas during well testing.

<u>Basis:</u> The Commission found that the project would have adverse impacts on onshore air quality. An ARB-sponsored Radian 1982 air quality task force study recommended the above modifications to reduce impacts on onshore air quality. Chevron had committed to some of these measures in its submittal, and subsequently submitted a letter incorporating the remaining measures into

its POE. Because of residual adverse air quality effects from project emissions, the Commission found the project inconsistent with Section 30253(3), which addresses air quality. However, the Commission found that the air quality impacts would be mitigated to the maximum extent feasible, and therefore that the project was consistent with Section 30260(3).

B. Marine Resources/Drilling Muds/Water Quality

Mitigation in Project as Submitted:

(1) Compliance with EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

(1) Use of only chrome-free lignosulfonates.

<u>Basis:</u> The lease contained hard bottom habitat, although the wells were located more than 1000 meters from this habitat. Chrome and ferrochrome lignosulfonates are toxic to marine resources. The discharges resulting from Chevron's exploratory wells could potentially cause adverse impacts upon the marine environment when considered on a cumulative basis. The above modification partly addressed this concern, as the applicant committed to use only those lignosulfonates not including chromium. The Commission found the project inconsistent with Sections 30230 and 30231, which address marine resources, and Section 30250, which addresses cumulative impacts, because of the potential adverse effects of drilling discharges on the marine environment. However, the Commission found that maximum feasible mitigation had been provided, and that the project was consistent with Section 30260(3).

C. <u>Commercial Fishing</u>.

Project Modifications Made During the Consistency Review Process:

- (1) Delete 3 of the wells located in prime rockfishing locations;
- (2) Conduct a post-exploration survey of the well site, and remove any artificial obstructions related to the drilling operations that could damage or cause loss of fishing gear; and
- (3) If anchor scars cannot be removed, publish their locations in the Oil and Gas Newsletter and the Coast Guard's Notice to Mariners.

Basis: Sections 30230 and 30231 and 30234 address commercial fishing. Section 30250 addresses cumulative impact. The project area was trawled for groundfish, and was a prime trawling and hook and line fishing area for rockfish. Chevron deleted the three wells located in the prime rockfishing area, and incorporated the additional measures above to further minimize impacts. Because of residual impacts, the Commission found the project inconsistent with Sections 30230, 30231, 30234, and 30250, as it would still interfere with fishing activities. However, the Commission found the fisheries impacts were mitigated by to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Blocks: 644 and 645.

4. Other Issues

- A. <u>Vessel Traffic Safety</u>. The relevant Coastal Act policies were Section 30262(d), which address navigational safety, and Section 30260. The Commission was concerned over navigational safety because of the lack of any designated vessel traffic corridors in the Santa Maria Basin, as well as frequent reduced visibility in the area due to foggy and stormy weather. The project as submitted included: (1) two radars with audible alarms; (2) a 15 mile foghorn; (3) 15 mile obstruction lights; and (4) aircraft warning lights. The Commission found that the project as submitted was inconsistent with Section 30262(d), because the drill rig represented a hazard to navigation and posed the risk of oil spills. However the Commission found that maximum feasible mitigation had been provided and that the project was consistent with Section 30260(3).
- B. Oil Spills. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. However, the Commission found that the applicant had provided best available oil spill control and containment (for list of measures see CC-3-84), and that adverse impacts had been mitigated to the maximum extent feasible, therefore the project was consistent with Section 30260(3).
- C. <u>Geologic Hazards</u>. No significant geologic hazard issues were identified, and the Commission found the project consistent with Section 30253(1) and Section 30262(a) which address geologic hazards.
- 5. For More Information, Refer To: Staff Recommendation, dated 10/24/85.

CC-16-85 CITIES SERVICE, DPP, PLATFORM JULIUS OCS-P 0409, FILE DATE: 04/19/85. MMS

I. Summary

The Commission objected to Cities Service's consistency certification for Platform Julius on OCS-P 0409. Platform Julius was the first platform reviewed by the Commission in the northern Santa Maria Basin. issues raised by this proposal were the difficulty in cleaning up heavy oil. the proximity to the sea otter range, the need for consolidation with other development in the basin, the need for transportation by pipeline, and potential impacts on air quality and commercial fishing. The Commission objected to Cities' consistency certification because it found that there was not adequate information on environmental impacts on a number of issues. The EIS/R had not been completed, a report on oil spill risks was not received at a time allowing sufficient evaluation, the oil spill trajectories provided did not adequately assess the impacts on sea otters, there was inadequate information on commercial fishing, insufficient information was provided to determine the feasibility of electric grid power supply to the platform to reduce air emissions, and there were inadequacies in the air impacts modeling study. In addition, because of insufficient information on consolidation of facilities, the Commission found it had inadequate information on cumulative impacts, as well as visual resources.

See CC-49-86 for the Commission's subsequent concurrence on Platform Julius.

II. Compendium

1. Project Description.

DPP for Platform Julius on Lease OCS-P 0409, approximately 9.5 miles west of Point Sal off the Santa Barbara and San Luis Obispo coastline. Offshore unit: Northern Santa Maria Basin. Lease Sale: 53. Seventy well slots. Water depth of 478 feet. The project included three subsea pipelines (oil, water, and diluent) to the Guadalupe Oil Field in San Luis Obispo County. The project would generate associated onshore oil processing facilities.

Commission Action and Date.

Objection, September 24, 1985.

3. <u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>

A. Oil Transportation.

Mitigation in Project as Submitted:

- (1) Three oil, water, and gas pipelines from the platform to onshore processing facilities; and,
 - (2) The pipelines would be sized and designed to provide the excess

capacity needed for future consolidation with other producers' facilities.

Project Modifications Made During the Consistency Review Process:

(1) The platform producers (Cities, Celeron, Samedan, Santa Fe Energy, Shell California Production, Sun Exploration and Production, and Canadian Occidental of California) agreed to transport the oil produced at the platform to market destinations by pipeline.

Basis: Sections 30230, 30231, 30232, 30253, and 30260, address various coastal resource issues and aspects of operations, including marine resources, air quality, and maximum feasible mitigation. The Commission determined that pipelines would provide the most environmentally protective method of oil transportation, and that pipelines are preferable to tankering in terms of reduced risk of catastrophic oil spills and reduced air emissions. The Commission found, based on these policies, that the commitment to use a pipeline, and to use one that is sized and designed to accommodate production from other northern Santa Marin Basin platforms, constituted maximum feasible mitigation and that the project was therefore consistent with Section 30260(3). However, it expressed concerns that cumulative impact issues remained regarding this aspect of the DPP.

B. Oil Spills.

Mitigation in Project as Submitted:

- (1) 1,500 feet of oil spill containment boom capable of open ocean use;
- (2) A skimmer capable of open ocean use;
- (3) Oil storage capacity to handle skimmer throughput until the oil spill cooperative could arrive from shore with additional equipment;
- (4) A boat at the site of drilling operations or within 15 to 60 minutes of the site equipped with a second boat capable of assisting in boom deployment; and,
 - (5) Oil sorbent material capable of absorbing 15 barrels of crude oil.

Project Modifications Made During the Consistency Review Process:

- (1) A digital recording anemometer system mounted on the platform to provide "real time" assessment of wind speed and direction, which would be useful in determining spill trajectories;
- (2) A second boat for boom handling, which would be located at Port San Luis or other locations; and,
- (3) A net-boom, which is designed to physically trap oil in a net system for later recovery.

<u>Basis</u>: Section 30232 addresses oil spills. The oil recovered at the platform would be heavy oil, which is especially difficult to contain and clean up. The effectiveness of the net-boom equipment on heavy oil in West Coast

conditions was uncertain. The Commission found that the commitment to provide the net-boom and the other equipment represented the maximum feasible mitigation and therefore that that specific component of the oil spill measure was consistent with Section 30260(3) for oil spill response measures. However the oil spill risk analysis provided by Cities was not received by the Commission at a time allowing sufficient review and assessment. In addition, the Commission found that the worst case oil spill trajectories did not provide an accurate assessment of otter impacts due to the lack of incorporation of nearshore current processes and re-washing of beaches and because of the lack of consideration of otter movements through the spill area. Because the information was not submitted at a time allowing adequate review before the hearing, the Commission found that the overall proposal was not consistent with Section 30260(3), because of inadequate information on the oil spill contingency plan.

C. Marine Resources.

Project Modifications Made During the Consistency Review Process:

- Vessel routes for seagoing vessels associated with construction and operation of the proposed project would be restricted;
 - (2) Cities would participate in the WOGA Environmental Training Program;
- (3) Air traffic routes associated with construction and operation of the proposed project would be restricted;
 - (4) Sonar reflectors on all anchor cable systems;
- (5) An onsite observer from a wildlife agency would monitor migratory whales during construction activities.

Sections 30230 through 30236 address marine resources. construction schedule proposed by Cities would fall completely within the gray whale migration period. Construction of the platform and pipelines could affect gray whales and other marine mammals by collision, noise, and disturbance of migration patterns. The Commission found that the project could have an adverse effect on the endangered whales and was therefore not consistent with the marine resource protection policies of the CCMP. It found that with the mitigation measures agreed to, the level of impact on the whales would not be adverse because construction activities at any one time would be limited, and therefore the project was consistent with Section 30260(3) for The Commission found that an oil spill from the the impacts on whales. project could have a serious impact on the threatened sea otter population, and a spill from the platform in combination with other spills in the area could cause severe impacts. Therefore it found the project inconsistent with Sections 30230-30236 with regard to potential impacts on the sea otters. It also found the project inconsistent with Section 30260(3) because the proposal did not include any proven mitigation measures to prevent significant sea otter losses from an oil spill, and there was not adequate information available to develop a sound and feasible sea otter mitigation program. The

Commission found that it would need the following information: 1) an additional oil spill analysis that included a credible assessment of the effects of spreading oil on the sea otters; and 2) a sound and feasible mitigation program that provided maximum feasible protection for the threatened sea otters.

D. Drilling Muds/Water Quality.

Mitigation in Project as Submitted:

- (1) Compliance with EPA NPDES permit conditions and Pacific Area OCS Order No. 7 for all discharges of muds; and,
- (2) Oily or otherwise contaminated drilling muds and cuttings would be collected and transported to shore for disposal at approved onshore sites.

Project Modifications Made During the Consistency Review Process:

- (1) Chromium lignosulfonates would not be used; and,
- (2) Cities would participate in a joint government/industry study on drilling muds and cuttings discharge mitigation techniques and implement all feasible mitigation measures appropriate to the platform that might be identified in the study.

<u>Basis</u>: The Commission found that the project did not comply with Sections 30230 and 30231 of the Coastal Act, which address marine resources. The Commission found that the project was not consistent with Section 30250(a), which addresses cumulative impacts, because the discharges from the platform could cause adverse impacts on the marine environment when considered on a cumulative basis. However, the Commission found that the discharges would occur in the least environmentally damaging location, and, with the mitigation measures agreed to, the environmental effects would be mitigated to the maximum extent feasible. Therefore it found the project consistent with Section 30260(1) and (3). The Commission noted that it would have the opportunity to consider the issue again when the project came up for review for compliance with the general NPDES permit.

E. Commercial Fishing.

Mitigation in Project as Submitted:

- (1) The construction corridor width would be minimized;
- (2) Above surface and submerged structures would be included on navigation charts; and,
- (3) Submerged structures would be designed to reduce snagging of nets or other related fishing gear.

Project Modifications Made During the Consistency Review Process:

(1) Support boat routes adopted by the Joint Committee in the Santa Barbara Channel Oil Service Vessel Corridor Programs would be used;

- (2) Support vessels would not be moored within the 10 fathom contour in the Hueneme Flats;
- (3) Vessel mooring systems would be oriented within 1/4 mile of the platform and parallel to the seafloor bathymetry;
- (4) Proper size, weight, and shape of lay barge anchors would be used to minimize drag;
- (5) Proper handling of barge anchor systems would be used to reduce the potential for sea floor scarring;
- (6) Construction schedules would be noticed in the <u>Oil and Gas Project</u>
 <u>Newsletter for Fishermen and Offshore Operators</u> 30 days prior to commencement of offshore construction;
- (7) The platform and pipeline construction zones would be surveyed and the results submitted to the Commission, and any debris or equipment would be recovered;
 - (8) Radio frequencies specifically assigned to Cities would be used:
 - (9) The WOGA Fisheries Training Program would be implemented; and,
 - (10) Cities would participate in a local fishermen's protection program.

Basis: The platform would be in an area trawled for sole, where six to eight commercial boats fished. Cities provided an analysis of the impacts of the However, the Commission found the following platform on commercial fishing. inadequacies in the analysis: a) the data on block catches used for the analysis were not provided in the report and may have been inaccurate; b) the location of the platform and the potential effects on individual trawl tows were not adequately considered in determining the area that would be precluded from trawling; c) ten-year average landing and catch information were used and may have underestimated the values of Ocean Shrimp, Dover Sole, and Thresher Shark; d) the analysis assumed that the catch of individual fish species is equally distributed within each fish block, which is not accurate. Commission found that because of these inadequacies, further review would be needed before it could determine whether the mitigation measures proposed were accurate. Therefore, it found the project inconsistent with the following sections of the Coastal Act which address commercial fishing: 30230, 30231, and 30255. The Commission also found 30250(a), inconsistent with Sections 30260(1) and (3) because it was not possible to determine, with the available information, whether the mitigation measures would provide maximum feasible mitigation.

Department of Fish and Game Fish Blocks: 631, 632, and 633.

F. Vessel Traffic Safety.

Project Modifications Made During the Consistency Review Process:

- (1) A radar with an automatic alarm device;
- (2) Four quick-flashing white lights visible for five miles on each corner of the platform;
- (3) Red clearance lights at the top of the drilling mast and the tip of each crane boom;
 - (4) Daylight lighting when visibility was less than three miles;
- (5) Escape capsules approved by MMS and USCG would be provided at the platform;
- (6) Heliport perimeter lighting consisting of dual fixtures with one blue and one amber globe;
 - (7) A foghorn with a two-mile audible range; and,
- (8) The platform would be painted in accordance with the USCG recommendations to increase its visibility to vessels.

Basis: Section 30262(d) addresses vessel traffic safety. The Coast Guard was applying for an extension of the Santa Barbara Channel Vessel Traffic Separation Scheme, which, if adopted, would eventually result in vessel traffic lanes approximately 24 miles west of the platform. However, use of the lanes would not be mandatory, so even if they were approved, some vessels might continue to pass near the area of the proposed platform. The platform site was an area where there was frequent fog and significant wave heights. For these reasons, the Commission found that the project was sited where it could pose a hazard to vessel traffic. However the Commission found that the additional safety measures in the project as modified would provide maximum feasible mitigation, and therefore that the project was consistent with Section 30260(3).

G. Air Quality.

Mitigation in Project as Submitted:

- (1) Water injection on offshore turbine engines to reduce NO_{X} emissions;
- (2) Waste heat from gas/diesel turbines would be recovered to reduce the need for burning additional fuel in process heaters;
- (3) A gas blanketing and closed vent vapor recovery system would be used to reduce emissions from the oil and gas processing and storage facilities;
- (4) Programs to inspect and maintain valve, pump, flange, and compressor seals to minimize fugitive hydrocarbon emissions, and to monitor operation of installed air emission control systems:

- (5) Low sulfur gas fuel would be used in the turbines except during the 3-6 month start up period;
- (6) High pressure and low pressure vapor recovery systems to prevent hydrocarbon emissions from processing facilities, compressors, tanks, and other platfrom equipment;
- (7) Injection timing retard on all crew and supply vessel diesel engines to reduce NO_X emissions (subject to American Bureau of Shipping and U.S. Coast Guard approval); and,
- (8) Water sprays to minimize fugitive dust during onshore construction activities.

Project Modifications Made During the Consistency Review Process:

 Sulfur recovery system to reduce emissions from the oil and gas processing and storage facilities.

<u>Basis</u>: Section 30253(3) addresses air quality. Cities conducted an analysis, including a modeling study, of the projected air quality impacts of the project. It stated that it could not use electric grids (i.e. electrical power generated onshore) for power due to the unique characteristics of the crude oil that would be produced. The Commission found that it did not have sufficient information to determine whether the project's air impacts would be mitigated to the maximum extent feasible, and that the project was inconsistent with Section 30260(3).

H. <u>Terrestrial Biological Resources</u>.

Mitigation in Project as Submitted:

- Construction activites were scheduled between November and April, to prevent impacts to least terns foraging during the spring and summer nesting season;
- (2) The pipeline right-of-way would be sited along existing pipeline right-of-ways and other disturbed areas;
- (3) The onshore site for oil processing would be within an industrial zone that was disturbed by previous uses;
- (4) Disturbance from construction of the pipeline would be contained to the minimum practicable area, including actual working width, access roads, ancillary sites, etc.;
- (5) All pipeline equipment and activities would be restricted to within the pipeline right-of-way;
- (6) Staging areas and excess spoil disposal would be located outside the dune area or in nonvegetated dune areas, if necessary;
- (7) Off-road vehicles would be discouraged from access to the pipeline right-of-way;

- (8) The Oso Flaco Creek pipeline crossing would be constructed so as to limit downstream effects on Oso Flaco Lake, and associated wetlands instream construction would be limited to the shortest period feasible. If construction were to occur during periods of high flow, sediment catch basins would be constructed to prevent excessive sediment loads from entering the wetland system;
- (9) Wastes would be removed from the dunes and disposed of in an approved site;
- (10) Erosion control measures would be used in all disturbed areas as needed to control hydraulic- and wind-initiated soil and sand erosion;
 - (11) The onshore surfaces would be restored to near original contours;
- (12) Equipment and foot traffic would be confined to the construction zone, avoiding disturbance to plants in adjoining areas off the right-of-way:
- (13) A restoration program would be implemented, including the segregation, stockpiling, and reuse of surficial soils and organic material;
- (14) The disturbed areas and adjoining strips of native vegetation would be fertilized by aircraft overflights;
- (15) Vehicular traffic would not be permitted within the right-of-way segments in the dunes except for instances where emergency access might be required, in order to maximize the opportunity for native plants to take hold after construction;
- (16) In any instances where natural revegation was not progressing at a suitable rate, Cities would replant with native plant species or transplant plants from adjoining areas or from nursing propagations;
- (17) Soil compaction would be mitigated and topsoil separation used to reconstruct the soil profile; and,
 - (18) Farmers would be compensated for any production losses.

Project Modifications Made During the Consistency Review Process:

- The beach area would be restored after staging activities to a condition approximating the contours found in adjacent undisturbed areas;
- (2) Parking for processing site construction would be confined to the portion of the site that was actually designated for construction, and parking for pipeline construction would be on Callender Road end or within the Guadalupe Oil Field;
- (3) An abandonment plan would be prepared in the future for onshore facilities. At termination, facilities would be dismantled and equipment recycled where feasible, and the sites would be planted to reduce erosion; and.
- (4) Vegetation would only be cleared from areas that would be physically used or occupied by construction equipment.

<u>Basis</u>: Four endangered species of vegetation were along the surveyed right-of-way and would be impacted by pipeline construction. Construction of the proposed onshore facilities (the Callender Dunes processing site) would adversely impact several sensitive plant species. Construction activities for the pipeline and processing facilities would have temporary impacts on wildlife resting and foraging in the area. Longer term loss of habitat would occur at the processing site, but there were no known threatened or endangered species at the site. The Commission found that the onshore sections of the project had the potential to adversely impact significant coastal resources. However, it found that the proposed mitigation measures and modifications should reduce the impacts to acceptable levels and that further mitigations could be required through the EIS/R and coastal development permit processes. The Commission therefore found the terrestrial biological impacts consistent with Sections 30231, 30236, and 30240, which address protection of habitat areas.

Other Issues

A. Geologic Hazards.

The project would be located in a tectonically and seismically active region, and two fault zones and two minor faults crossed the proposed subsea pipeline corridor. Cities' analysis concluded that no special pipeline engineering would be needed at these locations. If subsidence were to occur where production facilites could be impacted, a repressurization program could be implemented. Submarine slumping and shallow gas were determined by Cities not to be problems at the site. The platform foundation would be driven 270 feet below the mudline to protect against potential negative impacts from liquefaction of soils. The Commission found that there were no major geologic hazards, and the project was consistent with Section 30253(1), and Section 30262, which address geologic hazards.

B. Visual Impacts.

The project would be the first permanent offshore installation affecting the skyline in the northern central Santa Maria Basin. Construction crews, helicopters, and support boats traveling to and from the project would add to the visual impacts. The Commission found that the project would cause a permanent visual impact on the scenic and recreational qualities of coastal areas and was therefore inconsistent with Section 30251, which addresses The Commission found that it did not have sufficient visual impacts. information to determine the availability of less environmentally damaging locations, or whether the project and subsequent area-wide development would be consolidated to the maximum extent feasible, and therefore could not find the project consistent with Section 30260(1) or (3). In order to find the project consistent with Section 30260, the Commission found it would need an analysis of the extent to which the size, location, and number of platforms in the northern Santa Maria Basin could be adjusted to promote consolidation.

C. Cultural Resources.

No shipwrecks or other significant anomalies were identified in the immediate project area. A number of cultural resources were identified onshore, and

additional resources were likely to occur in the area proposed for development. A complete analysis of these resources would be required for the permit governing onshore development. Because of the lack of significant archaeological resources in the offshore areas and because additional analysis would be conducted for the permit for onshore areas, the Commission found the project consistent with Section 30244, which addresses archaeological resources.

D. Onshore Resources.

The Commission found, concerning whether the project would allow consolidation to the maximum extent feasible, that alternatives to the project proposal would be extensively reviewed in the EIS/R. The Commission found that the proposal, together with any changes required as a result of the EIS/R review, should result in onshore portions of the project being consolidated to the maximum extent feasible and sited in the least environmentally damaging location, and could therefore be found consistent with Section 30262(b), which addresses consolidation.

E. Public Access and Recreation.

A previous coastal development Permit issued by the Commission to Union Oil, for the expansion of its onshore oil field, required that an easement be provided for limited public access from the mean high tide to the first row of wells where Cities' proposed pipeline would come onshore. Union Oil had dedicated land to the California State Department of Parks and Recreation to serve as a buffer between its refinery and the dunes north of the oil field. The Commission found that Cities' project would not interfere with any dedicated public accessways or with any adjacent public beaches and recreational areas and was therefore consistent with Sections 30210 and 30212, which address public access and recreation.

F. Consolidation/Cumulative Impacts.

The Commission found that it had insufficient information to assess the cumulative impacts of development since the overall production data for the northern Santa Maria basin development was not known. It therefore found the project inconsistent with Sections 30250(a), 30260, and 30262(b). In order to concur, the Commission found it would need information that demonstrated that the proposed project and other development in the Northern Santa Maria Basin would minimize adverse cumulative impacts by mitigating the impacts and consolidating facilities to the maximum extent feasible. Cities had provided an analysis of the cumulative impacts, but it was not submitted in time for adequate review and evaluation prior to the deadline for the Commission's decision.

G. Public Welfare.

The Commission found that the potential environmental consequences outweighed any national interest benefits. It found that it could not find the project consistent with the public welfare considerations under Section 30260(2), because it had insufficient information to determine whether the project as proposed would cause environmental impacts that could be mitigated or avoided. The Commission also found that an objection would not adversely affect the public welfare.

5. Related Commission Action.

<u>CC-49-86</u> - On January 13, 1987, the Commission concurred with Cities' re-submittal of its consistency certification for Platform Julius. The Commission found the project consistent with the CCMP, based on additional information and mitigation measures provided by Cities.

 $\frac{\text{CC-56-86}}{\text{I NPDES}}$ - Concurrently with CC-49-86, the Commission concurred with the Phase I NPDES permit issued by the EPA. This portion of the permit covered only sanitary wastes, desalination unit discharges, deck drainage, and fire control systems test water. Phase II of the NPDES permit was submitted twice and withdrawn twice by Cities (CC-61-86 and CC-12-87).

For More Information, Refer To:

Staff Recommendation, hearing date September 24, 1985.

CC-24-85 EXXON, POE (WITHDRAWN) OCS-P 0528, 0529, 0530, 6 WELLS FILE DATE: 06/27/85, MMS

Summary and Compendium

Exxon proposed a POE for 6 exploratory wells on three tracts from Lease Sale 80, OCS Leases P-0528, 0529 and 0530, located 12 to 20 miles offshore of Pt. Magu, eastern Ventura County. The POE was submitted on June 24, 1985. On November 20, 1985, Exxon withdrew its POE and consistency certification, stating: "Exxon has decided to conduct a detailed study to evaluate alternative drilling vessels and emission control systems that might be used to further reduce project emissions." As of the date of this writing, this project has not been resubmitted.

CC-29-85 CONOCO, POE OCS-P 0320, 0322, 5 WELLS FILE DATE: 07/01/85, MMS

I. Summary

The Commission concurred with Conoco's POE for 5 wells on OCS-P 0320 and 0322, two leases located 8 and 11 miles west of Point Conception, in the southern Santa Maria Basin/Pt. Arguello Field. Similar to a number of POEs reviewed and concurred with by the Commission in 1983, 1984, and 1985, the applicant agreed to provide: (1) a 24-hour radar alarm device; (2) the best available oil spill control and containment equipment identified by the Commission; (3) use of only chrome free lignosulfonates in the drilling muds. (All three of these were in the project as submitted.)

On air quality, Conoco incorporated measures consisting of: (1) 4 degree injection timing retard on the drillship; (2) piping of vapors vented during well testing to a flare system for incineration; and (3) use of $\rm H_2S$ scrubbers to remove hydrogen sulfide from gas during well testing. Conoco also agreed to collect data for ARB on wind speed and direction, temperature, and fuel consumption. In addition, Conoco provided attachments to the drill rig's flare system to improve combustion and reduce emissions.

On commercial fishing, Conoco relocated one well, and committed to perform post-construction surveying and site restoration, and to use a common designated route for crew and supply boats.

II. Compendium

- 1. <u>Project Description</u>. POE, consisting of 5 exploratory wells, 3 wells on OCS lease P-0320 and two wells on 0322, approximately 8 and 11 miles west of Point Conception, in the southern Santa Maria Basin. Drillship: Diamond M Falcon. Water Depth: 915 to 1,640 feet. Offshore Unit: Sword Unit. Lease Sale: 48.
- 2. Commission Action and Date. Concurrence, November 21, 1985.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>

A. Air Quality.

Project Modifications Made During the Consistency Review Process:

- (1) 4 degree injection timing retard on the drillship;
- (2) Piping of vapors vented during well testing to a flare system for incineration:
- (3) Use of H_2S scrubbers to remove hydrogen sulfide from gas during well testing:

- (4) Collection of data for ARB on wind speed and direction, temperature, and fuel consumption; and
- (5) Attachments on the drill rig's flare system to improve combustion efficiency and reduce emissions.

Basis: Section 30253(3) addresses air quality. The Commission found that emissions from OCS drilling activities in the Santa Barbara Channel and Santa Maria Basin would have a significant adverse effect on onshore air quality. An ARB-sponsored Radian 1982 air quality task force study recommended data collection and implementation of injection timing retard and measures to reduce emissions during well testing. Conoco incorporated into the project these measures and, in addition, attachments on the drill rig's flare system to improve combustion efficiency and reduce hydrocarbon, particulate, smoke and visible emissions. The Commission found the project, as modified, consistent with Section 30253. (The Commission also noted that these measures constituted maximum feasible mitigation, and that the project was consistent with Section 30260(3).)

B. Commercial Fishing.

Project Modifications Made During the Consistency Review Process:

- Relocate one well (Well No. 5 on P-0320) to minimize impacts on hook and line fishing;
 - (2) Survey and restore the bottom of the ocean floor after drilling;
 - (3) Use designated support vessel traffic routes; and
- (4) If anchor scars cannot be removed, publish their locations in the Oil and Gas Newsletter and the Coast Guard's Notice to Mariners.

Basis: Sections 30230 and 30231 and 30234 address commercial fishing. Section 30250 addresses cumulative impact. The project area was used for hook and line fishing and trawling. Previous exploratory drilling on P 0320 had left an exposed wellhead. Conoco incorporated the above measures into the project to address impacts on hook and line fishing, creation of any further snags that could damage trawling nets, and impacts on nearshore fisheries. Because of residual impacts, the Commission found the project inconsistent with Sections 30230, 30231, 30234, and 30250, as it would still interfere with fishing activities. However, the Commission found the fisheries impacts were mitigated by to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Blocks: 685 and 659.

4. Other Issues

A. Oil Spills. Conoco's submittal included on-site equipment (including 1,500 ft. of containment boom, 15 bales of sorbent, a pump, and storage facilities for collected oil), personnel training, and coordination with Clean Seas, the industry's oil spill cooperative, which has dedicated oil spill

response vessels. Due to limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Section 30232, which addresses oil spills. However, the Commission found that the applicant had provided best available oil spill control and containment (for list of measures see CC-3-84) and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

- B. Marine Resources/Water Quality/Drilling Muds. Due to the impact of drilling mud discharges and potential oil spills on marine resources, the Commission found the project inconsistent with Sections 30230, 30231, 30232 and 30250, which address protection of marine resources, effective oil spill clean-up, and avoidance of adverse cumulative impacts. Conoco's commitment to use designated crew and supply boat vessel traffic routes, discussed in the commercial fishing section above, had the additional benefit of minimizing impacts on gray whale migration. With this measure, plus Conoco's use of the best available oil spill equipment and its commitment to use only chrome free lignosulfonates in the drilling muds, the Commission found that maximum feasible mitigation was provided and that the project was consistent with Section 30260(3).
- C. Vessel Traffic Safety. The relevant Coastal Act policies were Section 30262(d), which addresses navigational safety, and Section 30260. Conoco's submittal included: (a) five-mile visible flashing lights, a three-mile audibility foghorn, and a search light capable of warning approaching vessels of the rig's position; (b) daylight lighting for low visibility; (c) radar devices with audible alarms which were continually manned; and (d) operators trained to man the ship's radar twenty-four hours a day. The Commission found that the rigs would be sited where they would pose hazards to vessel traffic, but that these measures constituted maximum feasible mitigation and reduced the risk of vessel traffic hazards to an acceptable level. The Commission therefore found the project consistent with Section 30260(3).
- D. <u>Geologic Hazards</u>. No significant geologic hazard issues were identified, and the Commission found the project consistent with Section 30253(1) and Section 30262(a) which address geologic hazards and Section 30260(3).
- E. <u>Visual Impact</u>. The Commission found that the scenic and visual quality of the area would be affected and that the project was inconsistent with Section 30251, which addresses those issues. However the Commission found the project consistent with Section 30260(3), because the appearance and location of the drillship could not be altered to reduce this impact.
- 5. Related Commission Action. In CC-27-82, Conoco received Commission concurrence for exploratory drilling (3 wells) on one of the subject leases (OCS-P 0320). In CC-18-80, Conoco received Commission concurrence for exploratory drilling (1 well) on the other subject lease (P 0322).
- 6. For More Information, Refer To: Staff Recommendation, dated November 21, 1985.

CC-38-85 and CC-39-85, EPA, NPDES PERMIT GENERAL NPDES PERMITS FILE DATE: 08/28/85, EPA

I. Summary

The Commission objected to EPA's consistency certification for two Draft National Pollution Discharge and Elimination System (NPDES) general permits governing oil and gas waste discharges from facilities engaging in exploratory (Permit No. CAG280605/CC-38-85) and production and development (Permit No. The Commission based its objection on CAG280622/CC-39-85) activities. (1) provided insufficient protection of findings that the draft permits: site-specific. sensitive marine resources; (2) did not incorporate standards, nor fully explain its reason for excluding feasible state standards, like those contained in the State's Ocean Plan, whose requirements apply to discharges affecting the coastal zone and which contains more stringent requirements than those proposed by EPA; (3) provided both inadequate monitoring procedures to control discharges and ineffective testing methods to detect levels of discharge toxicity; and (4) provided inadequate enforcement measures to ensure permit compliance. The Commission found that the proposed permits would not adequately protect coastal zone resources and thus conflicted with Coastal Act Sections 30230, 30231, 30240(a) and (b), and 30250. The Commission also found the permits inconsistent with Section 30260, because: (1) the permits did not provide adequately for mitigation of potential adverse impacts to coastal zone resources; (2) the permits did not address the feasibility of alternative less environmentally sensitive sites; and (3) an objection by the Commission would not adversely affect the public welfare.

The Commission found that consistency with the CCMP could be achieved by incorporating alternative and/or more stringent permit measures. The Commission recommended that, among other things, EPA revise the permits to:

1) be site-specific, including identifying areas of biological concern so as to protect sensitive marine resources, and use of maximum feasible mitigation strategies to protect those resources; 2) be consistent with the State's Ocean Plan; 3) provide adequate monitoring and testing procedures to assure the control of toxic discharges; and, 4) provide additional enforcement measures to assure permit compliance and prevent indiscriminate discharge of toxic materials.

II. Compendium

1. <u>Project Description</u>. EPA proposed two Draft National Pollution Discharge and Elimination System (NPDES) general permits governing waste discharges from oil and gas exploratory and production and development activities. As requested by EPA, the Commission reviewed the permits in draft form so as to aid EPA in its preparation of the final permits.

The locations covered by the draft permits included all active leases in federal waters off southern California, from the Mexican border to the

northern edge of the Santa Maria Basin off San Luis Obispo County, including leases from Lease Sales P3, P4, 35, 48, 53, 68, RS-2, 73, and 80. The draft permits would have applied to the same leases governed by the previous EPA general permit CAO110516, plus 36 new leases in the Santa Maria Basin.

- 2. Commission Action and Date. Objection, February 4, 1986.
- 3. Issues.
 - A. Marine Resources.

Mitigation Included in Project as Submitted:

- Prohibition of oil-based or diesel-oil contaminated mud ocean discharges and the prohibition of chrome lignosulfonates;
- (2) Prohibition of free-oil ocean discharge and restriction of such discharge by, prior to open ocean dumping, implemented by offshore operators who would examine effluent contents by observing discharges in the open ocean or in a bucket (called "static sheen test"). The discovery of oil and/or oil content beyond a specified limit would preclude discharge;
- (3) Establishment of specific drilling mud toxicity limits to which operators adhere and ensure compliance by submitting reports of mud composition, volumes of discharge, and results of bioassay tests measuring toxicity limits to EPA; and,
- (4) Restriction of discharging water containing oil and grease extracted from production wells and requirements for monitoring oil and grease standards.

<u>Basis</u>: Section 30230, Section 30231, and Section 30240 address marine resources. Section 30250 addresses cumulative impacts. The proposed discharge area spanned hundreds of square miles and included a wide variety of substrate types, upwelling areas, flora and fauna habitats, commercial fishery locations, marine mammal migration routes and feeding areas, and water current belts. The Commission found that a blanket discharge permit was too broad in scope and insufficiently addressed and protected all of the specific marine resources which could be adversely affected by the discharges.

At the time of its action, the Commission expressed concern over the fact that scientific research regarding the effects of drilling fluids on marine resources was far from conclusive. Some studies indicated that discharges accumulate in organisms and biomagnify up through the food chain, affecting primary consumers and predators alike. Other studies indicated that marine organisms, such as abalone, accumulate relatively small concentrations of mercury and cadmium, which disrupt an organism's reproductive, food finding, and predator response patterns, and thus threaten survival.

Several of the tracts proposed for discharge under the general permits were within close proximity to the habitat of the southern sea otter (classified as threatened under the Endangered Species Act). The proposed discharges could potentially impact the otter's food sources. The Commission noted that the permits did not include monitoring requirements by which to evaluate discharge effects on otters.

The Commission found the limited habitat of <u>Caliptagena elongata</u>, a clam, would also be endangered by discharges and that the clam would possibly be driven to extinction. The proposed permits did not address concerns regarding the species' geographic habitat concerns and did not propose mitigation measures to avert potential damage to the species.

The Commission found the proposed discharge permits inconsistent with Sections 30230, 30231, 30240 and 30250 because the permits: 1) provided insufficient protection of site-specific, sensitive marine resources or areas of biological concern and, further, did not propose feasible mitigation strategies to protect sensitive resources; 2) conflicted with State ocean water quality standards which contained more stringent requirements than those proposed; 3) provided inadequate monitoring and testing procedures to control discharges and detect levels of discharge toxicity; and 4) included insufficient enforcement measures to ensure permit compliance.

One of the reasons the Commission found the permits inadequate was because allowing permittees to conduct their own toxicity tests would not ensure the protection of marine resources. Further, the Commission found EPA's proposed monitoring and testing procedures would inadequately predict and control discharges of toxic substances. For example, the Commission found that: (1) sheen test observation methods did not ensure oil and/or gas detection prior to open discharge, as, among other reasons, certain drilling fluid additives prevented oil accumulation and hence observation of a sheen on the ocean surface, and thus drilling vessel operators could appear to be in compliance with EPA's "no free oil" discharge standard because a sheen was not visually detectable; (2) bioassay tests used to determine permit compliance could underestimate chronic and acute sublethal impacts of projected discharges, and thus inadequately determine toxicity levels of discharges; and (3) EPA's mitigation measures discussed above were inconsistent with the State Water Resources Control Board water quality standards contained in California's Ocean Plan, which contains stronger requirements and mitigation standards than those proposed by EPA for discharges affecting the coastal zone.

The major elements of the <u>Ocean Plan</u> which the Commission found EPA had not incorporated into its permits included: (1) prohibition and/or restriction of discharges in ASBS and Sanctuary locations and their buffer areas; (2) removal of 75 percent of suspended solids from all discharges before discharging; (3) compliance with settleable solids effluent limitation and the prohibition of substances significantly decreasing natural light to benthic and other marine communities; and (4) the requirement for the best available technology to reduce discharge toxicities to the maximum extent feasible for all types of discharges.

In addition, the Commission noted that more stringent and effective methods to ensure compliance and resource protection could include: additional tests and biological research; imposing content limitations for certain discharges to restrict toxicity levels prior to ocean discharge; requiring permittees to collect and submit bottom sediment samples for analysis prior to and after discharges following each well completion; and requiring tests of samples for heavy metals content and toxicants (as provided in the Ocean Plan).

In reviewing the permits under Section 30260, the Commission found that the proposal would not mitigate adverse impacts to coastal zone resources to the The Commission found that other oil and grease maximum extent feasible. removal methods such as those employed by State and Regional Water Quality Control Boards and incorporated in the State's Ocean Plan assured higher standards of removal from discharges than those proposed by EPA (e.g., sheen and bioassay tests), and thus should be considered maximum feasible mitigation for purposes of review under 30260(3). Also, because the permits were too generic. EPA had not addressed alternate locations for discharge, and the Commission had no assurance that the least environmentally sensitive areas would be used for discharging. The Commission therefore found that the least environmentally damaging alternative requirement of Section 30260(1) was not met. Finally, the Commission found that the proposed permits conflicted with the public welfare provisions of Section 30260(2), and that to object would not adversely affect the public welfare, as the Commission could still review discharge permits on a case-by-case basis.

The Commission found that consistency with the CCMP could be achieved if, among other things, EPA revised the permits to: 1) identify and respond to site-specific biological and physical data for protection of sensitive marine resources; 2) address state ocean discharge standards and include major elements of the Ocean Plan; 3) prevent toxic discharges and measure potential and actual impacts resulting from oil and gas operations; and, 4) prevent toxic discharges and assure discharges comply with actual permit requirements. The Commission offered ways of meeting these objectives which are detailed in its findings in CC-38-85 and CC-39-85.

B. Commercial Fishing.

The Commission found that the effects in the previous section on marine resources also represented adverse effects on commercial fishing, since commercial fish species depend on the health of the same habitat discussed above. The Commission found that EPA had not proposed adequate mitigation measures to reduce these adverse effects on commercial fishing resources, as previously discussed. The Commission found that without modifications the permits would adversely affect commercial fishing, and, for the reasons discussed above, would be inconsistent with Sections 30230, 30231, 30240, and 30260.

4. Related Commission Action: In January, 1984, the Commission concurred with the consistency certification for a 6-month extension of EPA's NPDES general permit, originally issued February 18, 1982. On June 30, 1984, EPA's general NPDES permit expired. In the period following the expiration of the general permit, the Commission has reviewed POE and DPP waste discharge proposals on a case-by-case basis. Although the permit expired, it was extended via the provisions of the Administrative Procedure Act (providing for the extended discharge authorization under the general permit after the original permit expiration date for facilities covered by the permit on the date of expiration) for permittees properly notifying EPA prior to June 30, 1984, of their intent to discharge in accordance with the permit. The extended general permit did not cover new facilities requesting coverage after June 30, 1984; rather these new facilities needed to obtain individual permits.

By May 1, 1986, EPA had planned to reissue general NPDES Permit No. CA0110516 in the form of two general permits (NPDES No. CAG280605 for exploratory operations and NPDES No. CAG280622 for development and production operations). As of this date (July 31, 1989), however, the reissuance of the permits had not yet occurred.

5. For More Information, Refer To: Adopted Findings, dated February 4, 1985.

CC-2-86 CHEVRON, DPP, PLATFORM GAIL OCS-P 0205 FILE DATE: 01/30/86

I. Summary

The Commission objected to Chevron's DPP proposal for construction and operation of Platform Gail, a 36-slot drilling and production platform, and three subsea pipelines (oil, gas, and a spare) from proposed Platform Gail to Chevron's existing Platform Grace. The project location is OCS Lease P-0205, 6 miles north of Anacapa Island, within the Santa Clara Unit, in the eastern Santa Barbara Channel. Existing processing facilities would be used.

The Commission objected and found the project inconsistent with the CCMP. An important consideration was the project's location: 2053 feet from the northern buffer zone of the northbound Vessel Traffic Separation Scheme (VTSS) lane, 6.5 miles from the Channel Islands National Park and a major nesting area for the endangered brown pelican (Anacapa Island), and one half mile from the Channel Islands National Marine Sanctuary. The Commission found that a platform at this location, even when mitigated as proposed by Chevron, would pose unacceptable risks to vessel traffic safety, with consequent risk of oil spills and damage to coastal resources of particular value and sensitivity. The Commission found the project inconsistent with various policies of the Coastal Act regarding marine and coastal resources (Sections 30230 and 30231); water quality (Sections 30230, 30231 and 30250); commercial fishing (Sections 30230, 30231, 30234, 30250(a) and 30255); oil spills (Section 30232); vessel traffic safety (Section 30262(d)); scenic and recreational resources (Sections 30001(b), 30210, 30221 and 30251); and cumulative impacts (Section 30250) with respect to commercial fishing, air quality, and onshore facilities.

In considering whether the project could be found consistent with the Coastal Act by virtue of Section 30260, the Commission determined that alternative locations should have been considered by Chevron, since these might have allowed the benefits of development with reduced risks and less severe impacts to the unique habitat and recreational values of the Channel Islands National Park and Marine Sanctuary. The Commission therefore found the project inconsistent with Section 30260(1). The Commission further determined that adverse impacts of the project were not mitigated to the maximum extent feasible as required by Section 30260(3), and that, the project was inconsistent with the public welfare provision set forth in Section 30260(2). The Commission therefore found the project inconsistent with all three tests of Section 30260 and objected to Chevron's consistency certification.

[Note: See CC-36-86 for further Commission review of Platform Gail and eventual settlement enabling DPP to go forward.]

II. Compendium

Project Description

DPP for Platform Gail, a 36-slot drilling and production platform to be located on OCS Lease P 0205, Santa Clara Unit, approximately 24 miles southeast of Santa Barbara, 11 miles southwest of Ventura, and 6 miles north

of Anacapa Island in the Santa Barbara Channel. The project also included three subsea pipelines (oil, gas, and a spare) running approximately 6 miles from Platform Gail to Chevron's existing Platform Grace. A tract from Lease Sale P4. Water depth: 739 feet.

Oil production was expected to peak in 1990 at 13,300 barrels per day. Gas production was expected to peak in 1998 at 20.2 million cubic feet per day. Oil, gas and waters would be separated on Platform Gail, and $\rm H_2S$ would be removed from the gas on Platform Grace. Oil and gas would then be comingled with that from Platform Grace and transported through existing pipelines (via Platform Hope) to existing processing facilities at Carpinteria.

2. Commission Action and Date

Objection, July 8, 1986.

3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>

A. Marine and Coastal Resources.

Mitigation In Project As Submitted:

(1) Oil spill containment and clean-up equipment stationed at Platform Grace and Gail. (See oil spill section, below.)

Project Modifications Made During the Consistency Review Process:

- \$50,000 seed money for wildlife rehabilitation facilities aimed at cleaning seabirds (including pelicans) and other animals contacted by oil in the event of a spill;
- (2) Oil spill response exercise focusing on protection of brown pelican nesting areas on Anacapa Island;
 - (3) Surprise oil spill response drill at Mugu Lagoon; and,
- (4) Notify support boats and helicopters to keep at least 2km from migrating whales to reduce harassment.

<u>Basis</u>: Sections 30230 and 30231 address marine resources. The above modifications somewhat reduced the potential adverse impacts of the project on marine resources. The Commission found, however, that the proximity of habitat areas of special biological significance, particularly the major nesting areas for endangered brown pelicans on Anacapa and Santa Cruz Islands, created a unique and significant potential for major impacts in spite of the above mitigation and modifications, if an oil spill were to occur from platform or pipelines and that the project was therefore inconsistent with Sections 30230 and 30231. The Commission found that the lack of information regarding the feasibility of alternative, environmentally preferable locations rendered the project inconsistent with Section 30260(1), and that without consideration of alternative locations as further mitigation (allowing additional dispersion, response and clean-up time prior to impact of oil on habitat areas) the project was inconsistent with the maximum feasible

mitigation requirements of Section 30260(3). The Commission determined that allowing the project to proceed without this additional information and without considering all feasible mitigation (including alternative locations) to reduce impacts would be inconsistent with the public welfare provision of Section 30260(2).

B. Commercial Fishing.

Mitigation In Project As Submitted:

- (1) Use of support vessel corridors established by the Joint Committee in the Santa Barbara Channel Oil Service Vessel Corridor Program;
- (2) Notification of fishermen and offshore operators of construction schedules, locations, and potential hazards:
 - (3) Installation of a smooth pipeline;
- (4) Instructions to pipeline lay-barge operator to minimize anchor scarring; and,
- (5) Pre- and post-construction surveys of pipeline and platform construction areas and, where possible, removal of snags identified in the surveys.

Project Modifications Made During the Consistency Review Process:

- (1) A post-construction trawl along pipeline to test if areas affected by construction could be trawled;
- (2) Published notification of the Loran C coordinates for the proposed platform and pipelines, existing wellheads and snags in the vicinity of Platform Grace and Gail, and any snags created as a result of this project which could not be removed:
- (3) A commitment to avoid mooring support vessels within the 10-fathom contour in the Hueneme Flats area (traditional halibut fishing grounds);
- (4) \$250,000 for a local fisherman's contingency fund to compensate for lost and damaged gear due to the project;
- (5) \$250,000 to capitalize an insurance trust fund for the local trawl fleet; and,
- (6) \$100,000 towards a study attempting to assess the cumulative impacts of OCS development on commercial fisheries in the area.

<u>Basis</u>: Sections 30230, 30231, and Section 30234 address commercial fishing. Section 30250(a) addresses cumulative impacts. The above modifications reduced the project's adverse impacts on commercial fishing; however, the Commission found that trawlers, gill-netters and purse-seiners would be displaced from prime fishing grounds as a result of project construction and operation and, in nearshore areas, due to support vessel traffic, rendering the project inconsistent with Sections 30230 and 30231. The Commission also

determined that the information provided by the applicant was inadequate to evaluate the cumulative impacts of this and other OCS development on commercial fishing resources and marine productivity in the area, and that the project was therefore inconsistent with Section 30250(a). The Commission found that the project's demands on harbor facilities would conflict with existing commercial and recreational fishing needs, rendering the project inconsistent with Sections 30234 and 30255. The Commission determined that inadequate information was provided regarding the feasibility of relocation of the project to a less damaging location, so the project was inconsistent with Section 30260(1); that maximum feasible mitigation was not provided, particularly in reference to pelagic fisheries losses, which rendered the project inconsistent with Section 30260(3); and that the project was therefore inconsistent with the public welfare provisions of Section 30260(2).

Platform located in Department of Fish and Game Fish Block 684; pipelines located in Fish Blocks 684 and 665.

C. Crude Oil Transportation.

Mitigation In Project As Submitted:

(1) Use of pipelines to transport oil to shore via Platform Grace.

Project Modifications Made During the Consistency Review Process:

(1) Use of onshore pipelines to transport oil to Chevron's market destination, if such pipelines are available with accessible capacity.

Basis: Sections 30230, 30231, 30232, 30253, 30260, and 30262 address various coastal resource issues and aspects of operations, including marine resources, air quality, and consolidation. The Commission determined that pipelines would provide the most environmentally preferable means of oil transport, due to reduced risk of catastrophic oil spills and reduced air quality impacts. The above modification would provide for transportation of oil from Gail by pipeline not only to shore, but all the way to market destination, which, would reduce the potential for catastrophic tanker spills and eliminate air quality impacts associated with tankering. However, because tankering remained a possibility under certain conditions (see Findings) and because the subsea pipeline proposed as part of this project might still be the source of an oil spill, the Commission found the project inconsistent with Section The Commission also determined that inadequate information was 30232. provided regarding the feasibility of shut-off valves within the proposed pipeline to reduce the volume of oil spilled in the event of a pipeline rupture, and therefore impacts might not be mitigated to the maximum extent feasible. Therefore the Commission found the project inconsistent with Section 30260(3).

D. Containment and Clean-up of Oil Spills.

Mitigation In Project As Submitted:

- (1) Oil spill contingency plan and dispersant data; and,
- (2) Seven hundred fifty feet of oil spill containment boom and 15 bbls of storage capacity on Platform Gail, with reliance on a vessel, a skimmer and

other equipment stationed at Platform Grace (maximum transit time of 60 minutes from Gail).

Project Modifications Made During the Consistency Review Process:

- (1) Increased length of containment boom immediately available on Gail from 750 feet to 1500 feet;
 - (2) Oil spill response drill at Mugu Lagoon;
 - (3) Oil spill response exercise at Anacapa Island; and,
- (4) Tidemar VII, Clean Seas' oil storage barge, to be kept stationed in Santa Barbara, as its removal would increase response time and/or limit the capabilities of the Clean Seas vessels to handle a spill from Gail.

Section 30232 addresses oil spills. The above modifications would provide some added protection for marine resources, but the Commission determined that even the best oil spill containment and clean-up equipment was not effective at protecting the shoreline from large oil spills, particularly in rough weather. Prior experience with actual spill events had demonstrated the lack of reliability of oil spill modeling to accurately predict oil slick trajectories. Given the proximity of the Channel Islands National Park (6.5 miles) and Marine Sanctuary (0.5 miles), and especially the endangered brown pelican nesting areas on Anacapa Island, oil spill containment and clean-up would be especially important. The Commission found the project inconsistent 30232 because these resources could not be effectively with Section protected. The Commission also found that inadequate information was provided regarding other potential platform sites leased by Chevron which might have allowed development of the field from a less environmentally damaging or risky location, and that the project was therefore inconsistent with Section 30260(1).

E. <u>Vessel Traffic Safety</u>.

Mitigation In Project As Submitted:

- (1) Installation of four bright lights and two foghorns to conform to Coast Guard specifications:
- (2) Installation and use of an Automatic Radar Plotting Aid (ARPA) to track approaching vessels and warn platform operators of a potential collision; and,
 - (3) Platform to be painted white to increase visibility.

Project Modifications Made During the Consistency Review Process:

- (1) ARPA withdrawn by applicant, due to the proximity of traffic lanes and turning area potentially rendering implementation useless due to false alarms;
- (2) Installation of Radar Beacon (Racon) instead which would send out a signal identifying the platform on the radar of nearby ships; and,
- (3) Vessel Collision Contingency Plan to assure quick and orderly response to imminent collision.

Section 30262(d) addresses vessel traffic safety. The Commission Basis: found that even with mitigation and modifications provided, the platform's proximity to the northbound Vessel Traffic Separation Scheme (VTSS) lane (2,053 feet) would pose a substantial hazard to vessel traffic safety, rendering the project inconsistent with Section 30262(d). The Commission found that alternative locations might have been a feasible means of reducing this hazard, but information provided by Chevron was inadequate to evaluate this possibility, and the Commission therefore found the project inconsistent with Sections 30260(1) and 30260(3). Although the above mitigation and modifications were somewhat helpful in reducing potential risk related to vessel traffic, the Commission determined that the hazard to vessel traffic safety and potential impacts of a collision remaining in spite of proposed mitigation was inconsistent with public welfare provisions of Section 30260(2). The Commission noted that development of OCS resources in other, less sensitive, locations could contribute substantially to the achievement of national energy goals without creating the level of risks and impacts associated with this project in this location.

F. Geologic Hazards.

Mitigation In Project As Submitted:

- (1) Pipeline route chosen to avoid, as much as possible, active slumping areas; and,
- (2) Platform piles to be driven 250 to 290 feet into the sea floor, well below the ancient slide plane located at 45-60 feet below the mudline.

Project Modifications Made During the Consistency Review Process:

- (1) Pre-installation survey of specific pipeline routes to identify areas warranting avoidance; and,
- (2) Platform jacket fabrication and transport safety procedures beyond those required by MMS regulations.

<u>Basis</u>: Sections 30253(1) and 30262(a) addresses geologic hazards. The platform and pipelines were proposed to be located on buried ancient slide deposits, and areas of active instability were identified nearby. The first modification above would reduce risk by avoiding the most hazardous slide areas while laying the pipeline; the second was intended to assure that stresses occurring during lengthy transit of the jacket across the Pacific would not compromise the safety of the platform, given the potential for ground movement at this location. The Commission found that the mitigation and modifications proposed were sufficient for the project to be consistent with Sections 30253 and 30262 relating to geologic hazards.

G. Air Quality.

Mitigation In Project As Submitted:

(1) Water injection on the gas turbine generators to reduce NOx emissions;

- (2) Vapor recovery system in which vapors from hydrocarbon storage tanks, instead of being vented directly to the atmosphere, would be compressed and sent with the gas stream to Platform Grace and ultimately to onshore facilities for processing;
- (3) The venting of safety relief valves to a closed flare header system where emissions would pass through a scrubber and then be burned;
- (4) A fugitive emissions inspection and maintenance program involving valve, pump, flange and compressor seals;
- (5) Removal of hydrogen sulfide and carbon dioxide from the gas used in the turbine generators;
 - (6) Crane engines tuned for low NOx emissions;
- (7) Use of diesel engines with a vendor's guarantee to produce less than 8.0 grams NOx per horsepower-hour;
 - (8) Waste heat recovery systems on some gas-fired turbines;
- (9) Crew and supply boat trips scheduled to minimize total number of vessel movements;
 - (10) Workers encouraged to participate in car and van pools; and,
- (11) Use of gas blanketing and vapor recovery systems on all pressure vessels, surge tanks, and other process equipment.

Project Modifications Made During the Consistency Review Process:

- (1) Using 135 tons of Chevron's own banked emission offsets and securing an additional 50 tons to mitigate 185 of the 190 tons of NOx emissions expected during the construction period, and then permanently "retiring" 10 tons of its offsets at the completion of construction;
- (2) Providing full offsets for onshore impacts of operational NOx emissions as determined by Chevron's models (122 tons);
- (3) Utilizing supply boats generating lower pollutant emissions than standard marine engines;
- (4) Meeting Ventura County APCD requirements to use low-sulfur fuels, protect against hydrogen sulfide emissions, and pay a \$1000 per day fine if non-emergency flaring takes place; and,
- (5) Providing Ventura County APCD with a compliance enforcement agreement and project compliance data.
- <u>Basis</u>: Section 30253(3) addresses air quality. Both Ventura and Santa Barbara Counties were identified as "non-attainment" areas for ozone, meaning that these areas failed to meet federal health-based air quality standards of the Clean Air Act with regard to ozone. NOx and hydrocarbon emissions are the precursors for ozone formation. With the mitigation initially proposed, the

project was expected to generate 190 tons of NOx emissions during the six month construction period and 25-40 tons per year for the 32-year development and production period. The modifications made during the consistency review process helped reduce the potential adverse impacts of these emissions, and the Commission determined that with these modifications, the project was consistent with Section 30253(3). However, the air quality modeling analysis provided by Chevron did not examine cumulative emission impacts or alternative options, such as coordinated project phasing or operation mitigation The Commission determined that limitations during peak emission periods. without a cumulative impact analysis, the project was inconsistent with Section 30250. Even with the proposed mitigation and modifications, 5 tons of construction-phase NOx emissions were not offset, so the Commission determined that adverse impacts were not mitigated to the maximum extent feasible, and the project was therefore inconsistent with Section 30260(3). The Commission also found that public health would be adversely affected by remaining unmitigated emissions, rendering the project inconsistent with the public welfare provision of Section 30260(2).

H. Recreational and Scenic Resources.

Project Modifications Made During the Consistency Review Process:

- (1) Offset adverse impact to scenic and recreational experience at Channel Islands National Park by enhancing visitor recreational opportunities on Anacapa Island, the closest of the islands, including:
 - (a) restoration of trails and vista points;
 - (b) rehabilitation of the landing dock;
 - (c) enhancement of marine interpretive facilities;
 - (d) development of trailside exhibits;
 - (e) other appropriate projects up to a total cost of \$150,000.

Basis: Sections 30210, 30221, 30251 and 30001(b) address protection of scenic and recreational resources. Because the platform was proposed to be located so close to the shipping lanes, vessel traffic safety required that the platform be painted bright white so as to increase its visibility to nearby This would also make the platform a more conspicuous visual intrusion on scenic resources of the Channel Islands National Park. Commission found that the visual impacts of the project as viewed from the mainland would not be substantial, given the number of other platforms closer However, Platform Gail would be considerably closer to the Channel Islands National Park and Marine Sanctuary and more conspicuous than other platforms in the channel. The Commission found that the visual intrusion of a large, conspicuous industrial structure would detract significantly from the unique recreational experience of the National Park and Marine Sanctuary, and would be inconsistent with Sections 30210, 30221, 30251 and 30001(b). Commission found that while the above modifications provided some compensation for impacts to scenic and recreational resources, additional park and sanctuary improvements and/or relocating the platform farther away from Anacapa might have provided additional feasible mitigation but were not considered, so the project was not consistent with Sections 30260(1) and 30260(3).

4. Other Issues

- A. <u>Water Quality</u>. The Commission found that it was not necessary to review consistency regarding this issue at the time because Chevron would be applying for a separate EPA NPDES permit for platform discharges, which would be subject to a separate consistency review.
- B. Onshore Impacts. Section 30250 addresses cumulative impacts. Both Santa Barbara and Ventura Counties were suffering severe groundwater overdraft, and the Commission found that this was a critical factor in assessing new growth or development in those areas. Even though Chevron's original submittal included measures to reduce fresh water demands (the installation of desalination plants on construction barges and on the platform itself), Chevron was expecting to need an additional 8,400 to 21,000 gallons of fresh water per day from Port Hueneme. The Commission found that Chevron did not provide adequate analysis of groundwater impacts to demonstrate that the cumulative impacts of this and other projects on limited groundwater resources would be consistent with Section 30250(a) or that this project's impacts were mitigated to the maximum extent feasible under Section 30260(3) with regard to water.

Chevron's original submittal provided for some initial processing to occur on Platforms Gail (oil dehydration) and Grace (removal of sulfur from gas). Further processing would occur onshore at a facility in Carpinteria. No new permits would be required for the onshore facilities since no equipment modifications would be necessary and the additional load from Platform Gail was already covered under the plant's existing air quality permits. The Commission found that no environmentally preferable location for processing was available and thus that the project was consistent with Section 30260(1), and that onshore facilities already had sufficient mitigation under the existing air quality permit to be consistent with 30260(3).

- C. Archaeology. Section 30244 addresses cultural resources. Marine cultural resource surveys demonstrated to the Commission's satisfaction that no archaeological sites or artifacts were expected to be encountered or affected by the project. The Commission therefore found the project consistent with Section 30244.
- D. <u>Public Welfare and Alternative Locations</u>. The project was found to be inconsistent with a number of the policies of the Coastal Act (see above), so the Commission considered whether the project might be consistent under the provisions of Section 30260. With respect to Section 30260(1), the Commission noted that the location of the project was, according to Chevron, the "optimum" or "most effective" location for maximum recovery from the Sockeye Field. Chevron did not identify it as the only feasible location, and, given that other locations might have been environmentally preferrable, the Commission found the project inconsistent with Section 30260(1). The Commission had also found the project inconsistent with Section 30260(3) with regard to a number of issue areas.

In regard to the public welfare provision of Section 30260(2), the Commission considered the hazard to vessel traffic safety posed by a platform so close to the shipping lanes, and the potential for major oil spills resulting from a

collision: the proximity of the Channel Islands National Park and Marine Sanctuary, both in terms of the vulnerability of its unique habitats (including major nesting areas for the endangered brown pelican and major concentrations of marine mammals), and in terms of the unique recreational resources which would be degraded by the visual intrusion of a large industrial structure so nearby; the potential for contamination of the marine environment due to the disposal of wastes into the ocean; the displacement of commercial fishing from prime fishing grounds; and the adverse health effects of the air pollution emissions that remained unmitigated. The Commission also considered the importance of national security, the energy benefits of oil and gas development, and this project's potential contribution to meeting national energy needs, as well as the employment opportunities which might be provided by the project. The Commission found that Platform Gail's proposed location posed a substantial and unique threat of environmental damage which would remain significant even if the mitigation committed to by Chevron were applied, and determined that the remaining unmitigated risks and impacts to marine and coastal resources outweighed the public benefits that development of this project would provide. The Commission determined that objection to the proposal would not adversely affect the public welfare since the reserves at this site, which were not unusually large compared to other areas, would remain available for future development if necessary (when technology for impact reduction might be considerably better), while development of other, less sensitive, areas in the meantime could contribute to the nation's energy needs with fewer risks to unique marine and coastal resources. The Commission therefore found the project to be inconsistent with the public welfare provision of Section 30260(2).

5. Related Commission Action

This proposal was modified by Chevron and an amended plan was resubmitted as CC-36-86 on July 15, 1986. The Commission objected on September 9, 1986, but on November 13, 1986, agreed to a settlement with MMS and Chevron to authorize the project to proceed. Reviewing the NPDES permits for Platform Gail's discharges, the Commission concurred with the NPDES-Phase I permit for discharges from Platform Gail (CC-44-86) on December 10, 1986, and objected to the NPDES-Phase II permit for discharges from the platform (CC-8-87) on November 18, 1987. The Office of Ocean and Coastal Resource Management (OCRM) indicated that proper notification of the latter decision had not been made within the six month time limit for consistency review, and that concurrence was therefore conclusively presumed. The EPA was then notified that it could issue the discharge permit, which it did. The Commission disagreed with OCRM's position regarding the notice of objection but chose not to litigate the issue with respect to EPA's issuance of the NPDES permit for Platform Gail.

For More Information, Refer To:

Adopted Findings, dated 7/10/86.

CC-26-86 CHEVRON, CORPS PERMIT PIPELINE MODIFICATIONS TO PLATFORM HERMOSA PROJECT FILE DATE: 05/19/86, CORPS OF ENGINEERS

I. Summary

The Commission concurred with a consistency certification for a Corps of Engineers permit for changes to Chevron's Platform Hermosa project. These changes involved activities in State offshore waters near Gaviota. The changes consisted of Chevron's installation of two seawater intake pipelines and one brine discharge pipeline, and alteration of the method of pipeline construction from lay barge to trestle method. The consistency certification for the pipelines was necessary to provide authorization for the offshore portions of an onshore desalination plant, in addition to Chevron's compliance with both the Commission and Santa Barbara County permit conditions addressing freshwater supplies.

II. Compendium

- 1. <u>Project Description</u>. In 1983, the Commission concurred with a consistency certification for Platform Hermosa and related facilities, located 8.5 miles west of Point Conception in the southern Santa Maria Basin on OCS-P 0316 (see CC-12-83). In 1985, the Commission approved a coastal development permit for the produced water outfall line, and a coastal development permit on appeal from Santa Barbara County for the onshore oil and gas processing facility at Gaviota (Energy Permit E-85-2, Appeal No. A-4-STB-4-91, and Appeal No. A-E-85-12). The subject consistency certification related to the offshore pipelines portion of the onshore desalination plant required through the coastal permit, and included changing the method of pipeline installation from the lay barge method to a trestle method and adding three additional offshore pipelines, two for seawater intake and one for brine disposal. The location of these activities was offshore of Gaviota in state waters; the reason they were processed as a consistency certification was because the activities required a U.S. Army Corps of Engineers Section 404 permit.
- 2. Commission Action and Date. Concurrence, July 8, 1986.
- 3. <u>Issues</u>. As the Commission found in CC-12-83 and E-85-2-A (incorporated into this consistency certification in their entirety), the adverse impacts resulting from the original Platform Hermosa project had been found to be mitigated in conformance with the Coastal Act and the CCMP. The development of the proposed desalination facilities would help implement mitigation of the adverse impacts to the groundwater resource if Chevron were to utilize onshore water supplies. The subject project raised no new resource issues. Further, other site specific impacts resulting from discharges were being addressed through commitments to further mitigate such impacts through the approval of required State and local permits.
- 4. Related Commission Action. See Project Description above.
- 5. For More Information, Refer to: Staff Recommendation, dated July 8, 1986.

CC-36-86 CHEVRON, DPP, PLATFORM GAIL OCS-P 0205 FILE DATE: 07/15/86, MMS

Summary

As discussed in the Compendium under CC-2-86, Chevron previously submitted (on January 31, 1986) a DPP consistency certification for Platform Gail and associated pipelines. The Commission objected to that consistency certification on July 8, 1986 (see CC-2-86). On July 15, 1986, Chevron resubmitted the project in modified form and with additional information and mitigation intended to address the Commission's concerns as expressed in the findings adopted for the previous objection (CC-2-86). The revised submittal, CC-36-86, included all of the mitigation measures of the previous submittal (CC-2-86), plus the following additional mitigation: the purchase of an additional 5 tons of offsets so that all of the construction emissions of the project would be mitigated; installation and use of an Automatic Radar Plotting Aid (ARPA) on the platform to reduce vessel traffic safety hazard; and a \$250,000 contribution to a commercial fishing contingency fund specifically administered to mitigate potential impacts of the platform on the San Pedro purse seine fishing industry. Additional information was also provided, on the feasibility of alternative locations, as well as the feasibility of installing mid-line valves in the oil pipeline to reduce spill volume in the event of a pipeline rupture.

The Commission found the revised project inconsistent with the CCMP and objected to Chevron's consistency certification on September 9, 1986. Chevron appealed the decision to the Secretary of Commerce on September 10 and filed suit against the Commission on November 3, 1986. On November 13, 1986, before findings could be adopted for the Commission's September 9 objection, Chevron, the Minerals Management Service (MMS), and the Commission entered into a settlement agreement allowing the project to proceed with some of the mitigation measures deleted.

The measures deleted in the settlement agreement were: the installation of the ARPA; the \$150,000 for park improvements intended to offset the platform's adverse impact on the scenic and recreational resources of the Channel Islands National Park and Marine Sanctuary (see CC-2-86); the contribution of \$250,000 to the San Pedro purse seiner's contingency fund; and the purchase of the last 5 tons of emission offsets for construction emissions. All other mitigation measures proposed by Chevron were to be implemented as part of the approved project.

II. Compendium

Project Description

DPP. Chevron submitted a consistency certification for an amended proposal (originally CC-2-86) to construct and operate Platform Gail, a 36-slot drilling and production platform to be located on OCS Lease P 0205, Santa Clara Unit, approximately 24 miles southeast of Santa Barbara, 11 miles

southwest of Ventura, and 6 miles north of Anacapa Island in the Santa Barbara Channel. The project also included three subsea pipelines (oil, gas, and a spare) running approximately 6 miles from Platform Gail to Chevron's existing Platform Grace. Lease Sale: P4. Water depth: 739 feet.

Oil production was expected to peak in 1990 at 13,300 barrels per day. Gas production was expected to peak in 1998 at 20.2 million cubic feet per day. Oil, gas and water would be separated on Platform Gail, and $\rm H_2S$ would be removed from the gas on Platform Grace. Oil and gas would then be comingled with that from Platform Grace and transported through existing pipelines (via Platform Hope) to processing facilities at Carpinteria.

Commission Action and Date

Objection, September 9, 1986. However, the Commission entered into a settlement agreement with MMS and Chevron on November 13, 1986, which allowed the project to proceed. Under the settlement agreement, some mitigation measures were deleted.

3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>

Although technically these modifications were part of Chevron's resubmittal, they were provided in response to the Commission's July 8, 1986, objection to CC-2-86, and as such can be considered to be project modifications resulting from the consistency review process. Settlement (mentioned above) was reached before findings were adopted for the Commission's decision regarding CC-36-86. Accordingly, the following Compendium discussion discusses the content of the final package of mitigation measures, but does not set forth a summary of the Commission's findings because no Commission findings were adopted.

A. Air Quality.

Mitigation in Project as Submitted:

All mitigation measures previously proposed (see CC-2-86).

Project Modifications Made During the Consistency Review Process:

(1) A commitment to provide an additional 5 tons of NOx offsets for one year beginning at the start of construction to fully offset construction emissions.

Note: this measure was deleted in the final settlement (see section 5, below).

B. Vessel Traffic Safety.

Mitigation in Project as Submitted:

(1) All mitigation measures previously proposed (see CC-2-86).

Project Modifications Made During the Consistency Review Process:

(1) Installation and use of an Automatic Radar Plotting Aid (ARPA) to warn platform operators of a potential collision and allow an appropriate response, including, if necessary, platform shutdown prior to collision.

Note: this measure was deleted in the final settlement (see section 5, below).

C. Commercial Fishing.

Mitigation in Project as Submitted:

(1) All mitigation measures previously proposed (see CC-2-86);

Project Modifications Made During the Consistency Review Process:

(1) Chevron committed to providing \$250,000 to a commercial fishing contingency fund specifically administered for the San Pedro purse seiners who might potentially be affected by the proposed platform.

Note: this measure was deleted in the final settlement (see section 5, below).

Platform - Department of Fish and Game Fish Block 684: Pipelines - Fish Blocks 684 and 665.

4. Other Issues Addressed by Chevron in Revised DPP

- A. Alternative Locations. In its previous decision regarding Platform Gail (see CC-2-86), the Commission found the project inconsistent with Section 30260(1) because of a lack of information to demonstrate that alternative locations were not feasible or were not environmentally preferable. Chevron included in its revised submittal an analysis of the feasibility and environmental constraints of various alternative locations for the platform.
- B. Mid-line Valves in Pipeline. In its decision on CC-2-86, the Commission found that it had inadequate information on mid-line valves which might be an effective mitigation measure to reduce the amount of oil spilled during a pipeline rupture. Chevron attempted to address this possibility by providing an analysis of the benefits and drawbacks of a mid-line valve.

Settlement Agreement

On November 13, 1986, Chevron, MMS, and the Commission entered into a settlement agreement allowing the project to proceed provided that all but the following mitigation measures would be implemented as part of the project:

- the Automatic Radar Plotting Aid (ARPA):
- the \$150,000 for park improvements;
- the \$250,000 for San Pedro purse seiner's contingency fund;
- the purchase of 5 tons of NOx offsets.

The settlement specifically provided that MMS would issue its approval without mentioning the "conclusive presumption of consistency provided for in the Coastal Zone Management Act...."

6. Related Commission Action.

This was an amended submittal for the same project objected to on July 8, 1986 (CC-2-86), with added mitigation measures and additional information. Reviewing the NPDES permits for Platform Gail's discharges, the Commission concurred with the NPDES-Phase I permit for discharges from Platform Gail (CC-44-86) on December 10, 1986, and objected to the NPDES-Phase II permit for discharges from the platform (CC-8-87) on November 18, 1987. The Office of and Coastal Resource Management (OCRM) indicated that notification of the latter decision had not been made within the six month time limit for consistency review, and that concurrence was therefore conclusively presumed. The EPA was then informed by OCRM that it could issue the discharge permit, which it did. The Commission disagreed with OCRM's position regarding the notice of objection but chose not to litigate the issue with respect to EPA's issuance of the NPDES permit for Platform Gail.

7. For More Information, Refer To:

CC-36-86, Settlement Agreement, signed November 13, 1986, and Adopted Findings, CC-2-86, dated 7/10/86.

CC-44-86 CHEVRON, NPDES PERMIT OCS-P 0205, NPDES PERMIT (PHASE I) FOR PLATFORM GAIL FILE DATE: 07/10/86, EPA

I. Summary

The Commission concurred with Chevron's consistency certification for an EPA NPDES discharge permit for Phase I of Platform Gail (EPA NPDES Permit No. CAO110711 (9-4-86)). Covered by this permit were discharges of sanitary and domestic wastes, desalination unit discharges and deck drainage and fire control system test water. These wastes were to be discharged from a pipe 240 feet below the waterline. Drilling muds and formation waters were not covered under this permit but would be the subject of a separate consistency certification (see CC-8-87).

II. Compendium

1. Project Description

EPA NPDES permit to discharge sanitary and domestic wastes, desalination brine, deck drainage and fire control system test water from Platform Gail (see CC-36-86 for the DPP for this platform), located on Lease OCS-P 0205 approximately 24 miles southeast of Santa Barbara, 11 miles southwest of Ventura and 6.5 miles north of Anacapa Island in the eastern Santa Barbara Channel. These wastes were to be discharged 240 feet below waterline. EPA NPDES Permit No. CA0110711. Offshore Unit: Santa Clara Unit. Expiration date of permit: May 31, 1991 or effective date of reissuance of general NPDES permit covering these discharges.

2. Commission Action and Date

Concurrence, December 10, 1986.

3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>

None.

Other Issues

- A. <u>Permit Compliance</u>. The EPA permit provided for the following monitoring and mitigation measures:
- Monitoring for flow rates and residual chlorine in sanitary and domestic wastes;
 - (2) A prohibition on floating solids and foam;
 - (3) No discharge of halogenated phenol compounds;
 - (4) Restrictions on surfactants, dispersants and detergents;

- (5) Daily observations for visible sheen on the surface of receiving waters, with static sheen tests for nighttime discharges.
- B. Basis. Sections 30230 and 30231 address marine resources. Commission found that deck drainage often contains detergents, oil. surfactants, and emulsifiers used to clean deck surfaces, tanks, and drilling equipment. The Commission found that these substances would adversely affect marine water quality and biological productivity, and that their discharge would be inconsistent with Sections 30230 and 30231. The Commission nonetheless found this coastal-dependent industrial activity consistent with all three tests of the overide provisions of Section 30260, given that no alternative location would be environmentally preferable, that impacts were mitigated to the maximum extent feasible, and that concurrence would not be adverse to the public welfare. The Commission emphasized that the more toxic discharges associated with the platform would be covered in a subsequent NPDES permit, and that additional mitigation for the effects of discharges covered under this permit could be added in the future as part of the Commission's review of the new general EPA permit(s) which, when issued, would supercede individual OCS permits.

5. Related Commission Action

The Commission objected to Chevron's original proposal for Platform Gail (CC-2-86) on July 8, 1986. Chevron modified the proposal and resubmitted it (CC-36-86). The Commission again objected on September 9, 1986. Chevron appealed to the Secretary of Commerce and filed a lawsuit against the Commission. On November 13, 1986, the Commission entered into a settlement agreement with MMS and Chevron and the project was authorized to proceed (see CC-36-86).

In a separate action, the NPDES permit for the platform's drilling and production wastes (Phase II and III discharges) was considered on November 18, 1987 (CC-8-87), and the Commission objected to Chevron's consistency certification. However, the Office of Ocean and Coastal Resource Management (OCRM) indicated that notification of the Commission's decision was not made properly within the 6-month time limit for consistency review and concurrence was therefore conclusively presumed. EPA was informed that it could issue the permit, which it did. The Commission disagreed with OCRM's position regarding the notice of objection but chose not to litigate the issue with respect to EPA's issuance of the NPDES permit for Platform Gail.

For More Information, Refer To:

Adopted Findings, dated 12/10/86.

CC-47-86 ARCO, POE (AND CC-59-86, NPDES PERMIT) OCS-P 0504, 5 WELLS FILE DATE: 09/10/86, MMS

I. Summary

The Commission concurred with ARCO's POE for 5 wells on OCS-P 0504, located in the northern Santa Maria Basin near environmentally sensitive sea otter habitat. Protection of the threatened sea otter was a major focus in the Commission's review of this POE. The mitigation measures for this project included: a marine wildlife contingency plan; measures, facilities, training, and research to help in the clean-up of sea otters exposed to oil spills and other pollutants; measures to protect gray whales and least terns; use of a jack-up drilling rig to minimize commercial fishing impacts; additional monitoring and reporting measures on drilling mud discharges; adequate radar and other safety features; and a number of air quality measures, consisting of use of a low pollutant emitting diesel engine on the drillship, measures to reduce crew and supply boat emissions by approximately 40%, drilling during the non-peak ozone season, use of 4 degree injection timing retard, low sulfur diesel fuel, and an $\rm H_2S$ scrubber to reduce sulfur emissions.

II. Compendium

- 1. <u>Project Description</u>. POE (CC-47-86) and NPDES Permit (CC-59-86). ARCO proposed 5 exploratory wells on OCS lease P 0504, approximately 5 miles northwest of Point Sal in the northern Santa Maria Basin, northern Santa Barbara County. Drillship: jack-up drilling rig JFP Three. Water Depth: 221 to 313 feet. Lease Sale: 73. Offshore Unit: adjacent to Lion Rock Unit.
- 2. Commission Action and Date. Concurrence, February 24, 1987.
- 3. <u>Issues Involving Project Modifications Made During Consistency Review Process</u>

A. Marine Resources

Mitigation in Project As Submitted.

- A Wildlife Contingency Plan, containing information on marine wildlife resources at risk from an oil spill, and a specific plan of action to avoid or minimize harm during an oil spill;
- (2) Use of helicopter routes designed to avoid sensitive habitat areas at Oso Flaco Lake, the Santa Maria River Mouth and Point Sal, and to maintain a 1,000 ft. altitude whenever possible;
- (3) Minimize gray whale conflicts by maintaining associated vessel traffic at least a distance of 330 ft (100 m) and by observing the following guidelines:
 - (a) Assure support vessels would not cross directly in front of migrating whales;

- (b) When vessels paralleled whales, support vessels would not operate at a constant speed, but at a slower speed than that of the whales;
- (c) Female whales would not be separated from their calves;
- (d) Support boats would not be used to herd or drive whales; and
- (e) If a whale engaged in evasive or defensive action, support vessels would drop back until the animal calmed or moved out of the area.

Project Modifications Made During the Consistency Review Process:

- (1) Revisions to the Wildlife Contingency Plan, including the addition of information on bird foraging and roosting areas, other sensitive areas, and in explanations of sensitivity ratings, which would be included in the final plan in early 1987;
- (2) Ensure that facilities were available for the capture and care of oiled or injured sea otters, pinnipeds and seabirds, including working with the Minerals Management Service (MMS), the U.S. Fish and Wildlife Service (USFWS), and the California Department of Fish and Game (CDFG) to ensure that the best available cleaning and rehabilitation methodologies and equipment are available at these facilities. Prior to drilling any wells, participate in conducting a field investigation, along with a number of agencies, to ensure the adequacy of the facilities. If the CDFG or USFWS determined additional provisions were necessary, ARCO would contribute \$3500 toward carrying out such measures. Also, ARCO would provide written documentation from CDFG and PG&E that an adequately equipped facility at Diablo Canyon would be available for the length of the project, or written documentation from CDFG and USFWS that another appropriate site and adequate equipment would be available, should a spill occur;
- (3) Provide \$4,000 per well toward providing baseline data monitoring of toxicants and their effect on health and mortality of sea otters, to provide data and to study the risk to sea otters from toxic chemicals associated with oil development, including drilling muds. The funding would go to a research group designated by the Commission, CDFG, USFWS, and MMS. (ARCO would not be liable if the study did not commence within 10 years.);
- (4) Funding of a study to commence upon occurrence of an oil spill, if one should occur, to determine oil spill effects on otters, and, prior to any drilling, formulation of a work plan, subject to review and approval by the Commission in consultation with appropriate experts, for such a study;
- (5) Contribution to the Sea Otter Contingency Fund set up by the Monterey Bay Aquarium and the Dept. of Fish and Game, to purchase sea otter clean-up equipment to be used at the aquarium;
- (6) Fund, or in cooperation with other members of Clean Seas, a training program for sea otter cleaning and rehabilitation, including assurance that the first training session would occur prior to any drilling. ARCO or ARCO in cooperation with others in the oil industry (such as with Cities Service on the adjacent lease) would bear the costs of the training program; and,

(7) Fund a bird clean-up center near the Santa Maria Basin to treat birds affected by a spill.

<u>Basis</u>: California least terns, gray whales and sea otters were among those resources found in the project area which could be adversely affected by project-related impacts such as oil spills. A total of five least tern nesting colonies were located within 10-20 miles of the subject tract, including the dunes near the Santa Maria River mouth; the Santa Maria River mouth is also considered the southern boundary of the southern sea otter range. Gray whales would migrate through the project area during drilling activities (scheduled for the first quarter of each of five successive years).

Tanker collisions and oil spills pose harm to marine wildlife. Under normal operations, supply boats and helicopters could harass whales and disturb terms nesting at colonies in the Santa Maria River mouth and Oso Flaco Lake. In the event of a collision, migrating whales could be directly injured, while terms could ingest spilled oil or diesel while preening or, indirectly, from contaminated prey, which could result in contamination of eggs and mortality of young during incubation. In the event of a spill, (according to the Hubbs Sea World Research Institute), with only 20% of its pelt oiled, sea otters may not be able to survive long.

The possible impact of a large oil spill to marine resources could be major, and the cumulative risks of the project and the full build-out of the Santa Maria Basin could jeopardize sea otters and least terns, according to the U.S. Fish and Wildlife Service in a formal Section 7 endangered species opinion. ARCO provided the above measures and modifications to minimize project impacts and reduce its contribution to cumulative impacts in the Santa Maria Basin. The Commission found that, even with these measures, residual adverse impacts on marine resources would still occur, and thus that the project was inconsistent with Section 30230. However, the Commission found the measures would mitigate the project's impacts to the maximum extent feasible. The Commission therefore found the project consistent with Section 30260.

B. Oil Spills

Mitigation in Project As Submitted:

- (1) "Best Available" oil spill measures similar to those provided by ARCO and other oil companies in past POE consistency reviews, consisting of:
 - (a) on-site equipment (including 1500 feet of oil spill containment boom);
 - (b) an oil recovery device (skimmer) capable of open ocean use;
 - (c) oil storage capacity to handle skimmer throughout until the oil spill cooperative can arrive from shore with additional equipment;
 - (d) a boat located at the site of drilling operations or within 15 to 60 minutes of the site equipped with a second boat capable of assisting in boom deployment:

- (e) oil sorbent material capable of absorbing 15 barrels of crude oil; and
- (f) personnel training, and coordination with oil spill cooperatives.

Project Modifications Made During the Consistency Review Process:

(1) Additional measures primarily addressing cleanup and rehabilitation of sea otters and sea birds, as discussed in detail in the above section on Marine Resources.

<u>Basis</u>: Section 30232 addresses oil spills. The Commission found the effectiveness of oil spill containment and cleanup in the open ocean to be limited. In the project area, the northern Santa Maria Basin, the Commission considered this problem to be exacerbated by the fact that oil sought by ARCO was likely to be "heavy" or highly viscous crude, comparable to that discovered by Cities Service as noted in the Commission's review of Platform Julius on the adjacent lease to the southwest. The Commission found that because of oil spill risks, and limited cleanup capabilities, and because the heavy oil would further hinder the success of both mechanical and chemical clean-up operations, the project was inconsistent with Section 30232.

Clean Seas, the oil spill cooperative, had units designed for possible oil spills. They include eight onshore vans with equipment for shoreline protection, and oil spill response vessels Mr. Clean I and II. Additionally, Clean Seas had recently acquired additional response capabilities for the Santa Maria Basin such as Mr. Clean III vessel equipped with a "net boom" system and skimmer with the ability to collect heavy oil.

The Commission was concerned with the ineffectiveness of existing oil spill cleanup capabilities in open ocean waters, and the project's proximity to the range of the endangered/threatened southern sea otter. Additional measures were included primarily addressing cleanup and rehabilitation of sea otters and sea birds. These measures are discussed in detail in the previous section on Marine Resources. With these measures the Commission found ARCO had provided maximum feasible mitigation for the impacts of oil spills, and that the project was consistent with Section 30260.

C. Water Quality/Drilling Muds.

Mitigation in Project as Submitted:

Compliance with EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

- (1) Provide a monitoring report encompassing the amounts, types, actual chemical components, and trade names of all drilling muds or fluids used on the drilling vessel:
- (2) Static sheen monitoring beyond that required in the NPDES permit (prior to discharge and at least every 24 hours);
- (3) Provide drilling muds bioassays on actual muds used on the drilling vessel from samples taken prior to discharge of each mud system used and at the time that maximum well depth was reached. Bioassays were not to be based

on generic mud formulas but rather on actual mud samples taken on the deck after use in the well hole. (This departs from the EPA's standards in that actual spent muds are now tested and used for the purposes of determining toxicity as opposed to the use of generic muds or composite calculations).

- (4) Provide a verbal notification to the Commission 48 hours prior to the final mud dump:
- (5) Submit to the Commission the "OOC (Offshore Operators Committee) model" showing dilution of discharged muds and cuttings;
- (6) Prior to any submittal of a DPP for a platform on ARCO's lease, one year's continuous current metering, and one year of wind speed and direction monitoring, to aid in the prediction of the deposition of platform discharges;
- (7) Provide a list of specifications for equipment (including trade names) used in the preparation, treatment and storage of drilling fluids and cuttings on the drilling vessel; and
- (8) Install and maintain state-of-the-art real-time meteorological and oceanographic monitoring equipment during the period when the drilling vessel is on location at each drill site, to provide the U.S. Coast Guard and the Commission with data useful toward predicting drill mud dilution patterns and oil spill trajectories.

<u>Basis</u>: Sections 30230 and 30231 address marine resources, and Section 30250 addresses cumulative impacts. The Commission combined its review of the POE with the NPDES permit (CC-59-86). Even though they were assigned separate numbers, they were concurred with together and on the same date.

The issue of concern was the environmental damage to coastal marine resources, despite EPA's effluent limitations and monitoring requirements, particularly as they related to the toxic components of drilling muds, cuttings, and deck drainage. The Commission found the NPDES permit inconsistent with Coastal Act Sections 30230, 30231, and 30250 because the remaining impacts, even with the above modifications and mitigation, would not reduce the impacts to a level consistent with those policies. The Commission noted that its findings on EPA's Draft General Permit (see CC-38-85 and CC-39-85) elaborates on these inconsistencies.

The above modifications, however, would supply the Commission with additional monitoring and tests to assure compliance with EPA's permit, help predict the effects of siting a platform on the lease and enhance the Commission's ability to protect marine resources. The Commission found the project's impacts mitigated to the maximum extent feasible, and thus that the project was consistent with Section 30260.

D. Air Quality.

Project Modifications Made During the Consistency Review Process.

(1) Use of Caterpillar diesel engines on the drilling vessel, regardless of whether the JFP-III or another rig is used;

- (2) Avoid commencement of exploratory well drilling during the peak ozone season, July 1st through September 30th, and attempt to avoid commencement of drilling in the month of October;
- (3) Use of a hydrogen sulfide (H_2S) scrubber if gas containing H_2S is flared during well testing, and use of low sulfur diesel fuel (less then 0.5%), in order to reduce SOx emissions; and
 - (4) Crew and supply boat NOx reduction measures, consisting of:
- (a) injection timing retard by at least 4° and increase of air/fuel ratio;
 - (b) use of seawater intercooled turbochargers;
- (c) efficient scheduling to limit the number of boat trips to the maximum extent feasible, and avoid scheduling crew and supply boats together at the drilling site whenever possible;
- (d) implementation of any additional feasible mitigation measures identified in the "Chevron Boat" study, being conducted with the Santa Barbara County Air Pollution Control District (APCD); or
- (e) alternative strategies providing an equivalent reduction to (a) thru (d) above, determined in consultation with San Luis Obispo APCD, and which would reduce emissions by 40%.

Basis: Section 30253(3) and CZMA section 307 address air quality. The Commission was concerned because the project's emissions would have a significant adverse effect on onshore air quality. The Commission noted that the JFP-III rig was relatively low-polluting, as these types of engines have inherently lower amounts of NOx emissions than most other available diesel engines and use a separate seawater circuit after cooling. This cooling circuit reduced (NOx) emissions by 30%, and ARCO committed to use of a rig with comparably low emissions if another rig were to be used. Addressing ozone impacts, ARCO provided as discussed in the above modifications to avoid drilling during the peak ozone season and to implement crew and supply boat emission reduction measures, which would reduce ozone impacts. ARCO proposed to also use a hydrogen sulfide (H₂S) scrubber and low sulfur diesel fuel, thus reducing SO_X emissions. With these measures to reduce emissions the Commission found that the project provided a level of mitigation consistent with Section 30253 of the Coastal Act and CZMA section 307.

4. Other Issues

A. <u>Commercial Fishing</u>. Section 30230 addresses commercial fishing. The subject area was used for trawling activity which would be adversely affected by the proposed activity. ARCO included in its project submittal: (1) use of a jack-up drilling rig; (2) provision of advance notice to fishermen on the nature, location, and duration of proposed operations; (3) use of safety devices to increase the detectability of the drilling rig; (4) compensation of fishermen for lost or damaged gear due to the proposed operation; (5) use of common support vessel travel routes to minimize conflicts; and (6) coordination of activities with commercial fishermen operating in the area to

assure that the oil drilling activities are compatible with seasonal fishing operations. Because of residual impacts on commercial fishing, the Commission found the project inconsistent with Sections 30230, as it would still interfere with trawling activities. However, the Commission found the fisheries impacts were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Block: 632.

- B. <u>Geologic Hazards</u>. The Commission's review of the shallow hazard proprietary data and other seismic information showed no significant geohazard that would preclude safe exploration of the lease, and the Commission found the project consistent with Sections 30253(1) and 30262(a) which address geologic hazards.
- C. <u>Vessel Traffic Safety</u>. The relevant Coastal Act policies were Section 30262(d), which address navigational safety, and Section 30260. ARCO's submittal included use of a continuously manned radar device with an audible alarm, a 5-mile fog horn, 5 mile obstruction lights, and aircraft warning lights on the derrick. The Commission found that the rigs would be sited where they would pose hazards to vessel traffic, but that these measures constituted maximum feasible mitigation. The Commission found that the project therefore was not a substantial hazard to vessel traffic and that it was consistent with Sections 30260 and 30262(d).
- 5. <u>Related Commission Action</u>. Platform Julius, concurred with by the Commission in consistency certification No. CC-49-86 one month after ARCO's POE, was proposed adjacent to and southwest of the subject lease. Also, as noted above, while the Commission acted on the ARCO's POE and NPDES permit together, the NPDES permit was assigned a separate consistency certification number (CC-59-86).
- 6. <u>For More Information, Refer To</u>: Adopted Commission Findings, dated February 24, 1987.

CC-49-86 CITIES SERVICE, DPP, PLATFORM JULIUS (AND CC-56-86, NPDES PERMIT, PHASE I) OCS-P 0409, FILE DATE: 11/10/86, MMS

I. Summary

The Commission concurred with Cities Service's consistency certification for Platform Julius on OCS-P 0409. Platform Julius was the first platform reviewed by the Commission in the northern Santa Maria Basin. Cities Service had previously submitted a consistency certification for Platform Julius, to which the Commission objected, on September 24, 1985, based on lack of sufficient information (CC-16-85). Among the key issues identified in that review were the difficulty in cleaning up heavy oil, the proximity of the project to the sea otter range, the need for consolidation with other development in the basin, the need to assure transportation by pipeline, and impacts on air quality and commercial fishing. Cities appealed the Commission's decision to the Secretary of Commerce and subsequently withdrew the appeal, prior to this consistency review.

Cities provided additional information and studies and re-submitted the subject consistency certification. With the additional information and additional mitigation measures agreed to during this second review, the Commission concurred with the consistency certification. Among the key issues addressed by the Commission during this second consistency review were analysis of dispersants for heavy oils, the impacts of full build out of the basin on the threatened sea otters, contingency measures for cleaning oiled animals, mitigation of the economic impact on commercial fishing, and the feasibility of electric grid power. Additional mitigation measures since the previous consistency review process were provided for oil spill protection, marine resources, commercial fishing, geologic hazards, and air quality.

Mitigation measures in the project as finally concurred with by the Commission included the following: (1) transportation of crude oil by pipeline to market destinations; (2) maximum feasible oil spill containment and cleanup equipment; (3) a marine wildlife contingency plan and equipment to be used in the event wildlife is oiled; (4) a fisheries enhancement plan to mitigate fisheries losses and a contingency plan to reimburse fishermen for lost fishing gear until they receive payment on claims made to the federal government; (5) no proposed offshore storage, treatment, or transport of crude oil other than by pipeline to shore; (6) a program for pre-tow and post-tow inspection of the platform jacket to insure its integrity; (7) a program for air emission reductions, monitoring, and maintenance; (8) offsets for all emissions not reduced through the reduction program; (9) additional aids to navigation for vessel traffic safety; (10) a comprehensive monitoring program to provide the Commission ongoing information on: (a) discharges; (b) transportation vessels related to offshore operations; (c) air quality; (d) all oil spills and surface oil reported in the vicinity of the platform; (e) the annual status of sea otter and least tern populations; (f) any impacts, as reported to the National Marine Fisheries Service, to the gray whale from activities associated with construction, drilling, or production; (g) results of the Tri-County Socioeconomic Monitoring Program currently under way to assess the impacts from recent oil and gas projects in Ventura, Santa Barbara and San Luis Obispo counties; and (h) progress reports regarding re-vegetation and landscaping monitoring reports of the onshore processing facility and pipeline construction corridor.

(The Commission also simultaneously concurred with Phase I of the EPA NPDES permit, which covered discharge of sanitary wastes, desalination units, deck drainage, and fire control systems (CC-56-86)).

II. Compendium

Project Description.

DPP for Platform Julius on Lease OCS-P 0409, approximately 9.5 miles west of Point Sal off the Santa Barbara and San Luis Obispo coastline. Offshore unit: Northern Santa Maria Basin. Lease Sale: 182. Seventy well slots. Water depth of 478 feet. Production of 40,000 barrels of oil per day. Three subsea pipelines, sized to accommodate production from seven platforms. The Phase I NPDES permit, CC-59-86, which covered a portion of the project's discharges, was considered together with CC-49-86. The project would generate associated onshore oil processing facilities that would be subject to permit review at a later time.

Commission Action and Date.

Concurrence, January 13, 1987.

3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

Note: The remainder of this compendium document addresses only the new issues and information relevant to the re-submitted consistency certification and not addressed in CC-16-85. For further details on the project proposal, applicable Coastal Act policies, and previous modifications and mitigation measures, see CC-16-85. The overall mitigation package, which includes modifications made during both reviews, is summarized on the previous page.

A. Oil Spills.

Project Modifications Made During the Consistency Review Process:

(1) Mr. Clean II and III vessels equipped with a skimmer converted to increase its ability to handle heavy oil (Walosep W-4).

<u>Basis</u>: Section 30232 addresses oil spills. The above modification was Cities' response to the need for special equipment to address the heavy oil produced by Platform Julius. Representatives from the U.S. Coast Guard and the Environmental Protection Agency (EPA) Oil and Hazardous Materials Simulation Environmental Test Tank were of the opinion that the equipment proposed by Cities would provide the maximum feasible protection, but that this equipment might not be able to keep oil off the shoreline in the event of a major offshore spill. A study was conducted on the dispersants proposed for use by Cities. The study showed that the type of heavy oil produced by the project could not be dispersed using those chemicals. The Commission found

that Cities had provided maximum feasible mitigation because it had at least provided best available dispersants, even though their effectiveness was doubtful. The Commission found that it was critical to reevaluate the effectiveness of clean-up equipment periodically, and that it may therefore require, when it reviews subsequent permits for offshore pipelines, an annualreview of oil spill response equipment and procedures. The Commission found the project inconsistent with Section 30232, due to the limited cleanup capabilities of even the best equipment. The Commission found that the oil spill containment and clean-up measures in the project as modified represented the maximum feasible mitigation of the impacts of oil spills, and that the project was consistent with Section 30260(3).

B. Marine Resources.

Project Modifications Made During the Consistency Review Process:

- (1) Helicopter routes and flight ceilings recommended by the U.S. Fish and Wildlife Service in its Endangered Species Consultation would be used;
 - (2) Study of available seabird cleaning facilities;
- (3) Wildlife Contingency Plan to assure coordination of wildlife protection and clean-up activities with the Oil Spill Contingency Plan. The plan would include a list of equipment for oiled bird and sea otter cleaning. The plan would be updated, including revision of the sensitive area maps to include major bird roosting and foraging areas, and addition of short explanations of sensitivity ratings of seabirds:
- (4) A work program would be prepared for studying the effects of an oil spill on sea otters. If a spill occurred, Cities would fund a study of these impacts; and,
- (5) Cities would participate in and fund the sea otter clean-up training program coordinated by the oil spill cooperatives.

Basis: Sections 30230-30240 address marine resources. The Commission found the project, even as modified, inconsistent with Sections 30230-30236, and 30240, due to impacts on marine resources. The Commission found that the project would have adverse impacts on the least tern colonies and on gray whale migration. Impacts to the least tern could result from project whale migration. operations and potential oil spills. Impacts on gray whale migration could result from migration delay or disruption, separation of mother/calf pairs, and milling, which could concentrate animals and make them more vulnerable to collision with vessels. A three-year study conducted by MMS, in consultation with the National Marine Fisheries Service, would observe the migration route of gray whales in the project area. As a result of this study, which could lead to an MMS reinitiation of the NMFS Section 7 consultation if new information showed significant impacts, construction might need to be limited to the non-migration period. Although the mitigation measures in the project as modified would not provide absolute protection of the seabirds, the Commission found that Cities had provided maximum feasible protection measures. In its formal Section 7 (Endangered Species) Consultation, the U.S. Fish and Wildlife Service stated that full development of the Santa Maria Basin could cause extinction of the southern sea otter and was approaching that level of impact for the California least tern, but that this single platform would not jeopardize these endangered or threatened species. With the mitigation measures and modifications agreed to by Cities, the Commission found that maximum feasible mitigation would be provided for marine resources, and therefore the project was consistent with Section 30260(3).

C. Commercial Fishing.

Project Modifications Made During the Consistency Review Process:

- (1) Vessel traffic corridors established by the Liaison Office Vessel Traffic Corridor Program would be used;
- (2) Pipelines with a smooth profile would be constructed and trenched out to the 80 foot contour;
- (3) Trawling and trolling tests for the "fishability" of pipelines would be conducted, and if obstructions were found, they would be corrected;
- (4) Equipment destined for platform delivery would be marked and inventoried:
- (5) A Fisheries Enhancement Fund, in which Cities agreed to contribute \$30,000 per year, and to make a first-year contribution to cover construction impacts of \$57,158; and,
- (6) A Fisherman's Contingency Fund Program would be provided for temporary reimbursement of fishermen until the federal program or an insurance company covered a claim.

<u>Basis</u>: Construction of the platform and installation of the pipelines would interfere with fishing for salmon, shrimp, and halibut. In addition to specific design features, Cities provided the above Fisheries Enhancement and Contingency funds, to address impacts not directly or completely mitigable, including preclusion, uncompensated economic loss due to debris, and possible loss of fishing opportunities from oil spill or drilling mud contamination. Even with the mitigation measures and modifications, residual impacts would still occur, and the Commission therefore found the project inconsistent with Sections 30230, 30231, 30255, and 30703, which address commercial fishing. The Commission found that the impacts were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

Department of Fish and Game Fish Blocks: 631, 632, and 633.

D. Geologic Hazards.

Project Modifications Made During the Consistency Review Process:

- (1) Monitoring programs to record land surface and near-shore ocean floor movements in locations of new large-scale fluid extraction on land or nearshore before operations began and until surface conditions had stabilized;
- (2) A tow monitoring system that was capable of recording the tow motions and accelerations of the barge and jacket components;

- (3) A videotape of the jacket loadout and jacket launch would be made, and it would be reviewed by a certified verification agent;
- (4) Non-destructive tests of pre-identified critical welds and randomly selected non-critical welds would be conducted and all non-destructive tests would be photographed;
 - (5) All welds would be visually inspected;
- (6) A range of destructive tests would be conducted on a section of seafastening to determine whether there had been any degradation of material strength due to tow motions and forces; and,
- (7) Data packages on four randomly selected nodes would be supplied to the Commission staff.

<u>Basis</u>: The Commission found that there were no major geologic hazards that would preclude safe development of the project. The Commission analyzed seismicity, faulting, subsidence, liquefaction, submarine slumping, shallow gas, platform welds, and alternative pipeline landfall techniques. It found that the potential hazards that did exist would be avoided or mitigated through state-of-the-art engineering design, including the above modifications. The integrity of the platform structure would be maintained with the platform jacket safety measures. Therefore, the Commission found the project as modified was consistent with Sections 30253(1) and 30262(e), which address geologic hazards.

E. Air Quality.

Project Modifications Made During the Consistency Review Process:

- (1) Industrial diesel engines on the platform would be replaced with low-emission automotive diesels that met State Air Resources Board standards;
- (2) The water injection ratio would be increased to 1:1 to increase the control efficiency of platform turbines and further reduce NO_X emissions during the peak production period;
- (3) Activity management techniques would be developed to reduce the simultaneous occurrence of operations that generate NO_x emissions;
- (4) A compliance documentation plan and reporting procedures, which would demonstrate the effectiveness of the emission reduction program;
- (5) A contingency plan to mitigate potential impacts of any indicated exceedance of allowable emission levels;
- (6) Offsets for actual platform NO_X and reactive hydrocarbon emissions on a one-to-one ratio with the level of emissions at the startup of drilling;
- (7) Offset two hundred and fifty tons of NO_X and reactive hydrocarbon crew and supply boat cruising emissions from a budget of 2.55 million dollars for the life of the project; and,

(8) The lay barge method of pipeline construction would be used, if the equipment was economically available, to reduce peak NO₂ emissions.

Cities had previously provided offsets for operations emissions; however construction emissions, including crew and supply boat emissions, would be substantially higher than operational emissions, on an annual basis. To address this issue, Cities provided offsets of 250 tons from a budget of 2.55 million dollars for the life of the project, a level of mitigation which the Commission found would provide sufficient offsets and mitigate these aspects of the project's impacts. Cities also provided an air quality mitigation package, entitled an Emissions Mitigation Plan and Report (EMPR), which included measures (1) through (5) above, as an alternative to electric grid power, because it believed there to be concerns raised about the feasibility of grid power for this project. Although additional California Environmental Quality Act (CEQA) analysis was still to be performed, the Commission's consistency deadlines necessitated Commission action prior to completion of that analysis. The Commission found that, with the construction offsets and the EMPR added to the original mitigation package, a level of mitigation for air quality impacts had been provided which brought the project into conformance with Section 30253(3), which addresses air quality. Commission also found these measures would mitigate maximum feasible mitigation for this particular circumstance, and that the project was consistent with Sections 30262 and 30260, as well as with Section 307(f) of the Coastal Zone Management Act.

Other Issues.

A. Oil Transportation.

Cities and its partners committed to transportation by pipeline to market destinations during the earlier consistency review process (see CC-16-85 for commitments and applicable policies). Subsequent analysis showed that the pipelines would have the capacity to handle the maximum amount of oil that could be produced from the northern Santa Maria Basin. The pipeline system would therefore provide for consolidation of facilities. The Commission found that pipeline transportation would provide the maximum feasible mitigation and was therefore consistent with Section 30260(3).

B. <u>Drilling Muds/Water Quality</u>.

Sections 30230 and 30231 address marine resources; Section 30250 addresses cumulative impacts. Concurrently with its review of the DPP, the Commission reviewed and concurred with Cities' consistency certification for its Phase I NPDES permit issued by the EPA (CC-56-86). The Phase I permit covered discharge of sanitary wastes, desalination unit discharges, deck drainage, and fire control systems test water. The individual permit would be superceded by the new general permit once it was approved, or at the time of expiration of the individual permit. The Commission expressed concern over potential environmental impacts to coastal marine resources that might not be protected by provisions in the EPA permit. It found the discharges inconsistent with Sections 30230 and 30231 because of potential adverse impacts on marine resources and biological productivity, and with Section 30250(a) because of concern about potential cumulative impacts. However, the Commission found that the conditions in the EPA permit would provide maximum feasible mitigation, and that the project was consistent with Section 30260(3).

C. Vessel Traffic Safety.

The Commission found that the platform would be sited where it would not result in a substantial hazard to vessel traffic, and was consistent with Section 30262(d), which addresses vessel traffic safety. It found that the vessel traffic hazards would be mitigated to the maximum extent feasible with all of the safety measures provided (see CC-16-85), and that the project was therefore consistent with Section 30260(3).

D. Visual Impacts.

The Commission found that the project would have adverse visual impacts on a scenic area, and was inconsistent with Sections 30251 and 30250(a), which address visual and cumulative impacts. The Commission found that the project could not be visually screened to a greater extent due to vessel traffic safety concerns, and so the impacts would be mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3). Visual impacts from the onshore portions of the project would be reviewed by the Commission during the coastal development permit process for onshore facilities in the coastal zone.

E. Public Access and Recreation.

The Commission identified a number of adverse impacts on public access and recreation that would be caused by the project. Most of the recreational opportunities in the area of the proposed project were low-cost activities, so the Commission found that the project would not protect low cost visitor and recreation facilities and was inconsistent with Section 30213, which addresses visitor and lower cost recreation facilities. The Commission found that adverse impacts from onshore portions of the project could be addressed when it reviewed coastal development permits for the onshore facilities, and that offshore adverse impacts had been mitigated to the maximum extent feasible. The Commission therefore found the project consistent with Section 30260(3).

F. Onshore Resources.

Onshore facilities related to the project consisted of onshore pipelines and an onshore processing facility, the final locations for which had not yet been proposed. When they were, they would be subject to future Commission review. The EIS/R analyzed several alternatives and showed that the onshore facilities would have adverse environmental impacts in the coastal zone. The Commission concurred with the general approach for use of onshore facilities, finding that the onshore portions of the project were consistent with LCP policy direction and likely to be found consistent with the Coastal Act. The Commission found that it could not evaluate the least environmentally damaging alternative or other Coastal Act issues until the onshore portions of the project were resolved to a greater level of specificity and reviewed during the permit process.

G. Cumulative Impacts.

The potential cumulative offshore oil and gas development in the Santa Maria Basin could be up to twenty-seven platforms, with up to five of these in the northern Santa Maria Basin. Potential mitigation measures for cumulative impacts discussed in Cities' EIS/R were:

- (1) Phased development, to mitigate potential oil spill impacts to sea otters:
- (2) Monitoring reports of all oil spills from this project on the sea otter population status;
- (3) Future use of selective catalytic reduction (SCR) on platform turbines;
 - (4) Use of grid power at other platforms; and,
- (5) Evaluation of the success of mitigation measures for commercial fishing impacts used for this project.

A key cumulative impact issue was that, based on U.S. Fish and Wildlife Service Section 7 (Endangered Species) Consultation, full build out of the northern Santa Maria Basin would jeopardize the existence of the threatened southern sea otter. However the Commission found that adverse impacts of this platform had been mitigated to the maximum extent feasible, and noted that impacts of future platforms on the sea otter could be addressed through reviews of future projects. The cumulative impacts of drilling muds disposal would be reviewed during the general NPDES permit proceedings. Cumulative impacts from onshore facilities was only general and could not be specifically evaluated at that time because there was not a specific onshore proposal. The Commission found that the individual or cumulative impacts concerning oil spill protection, air quality, protection of wildlife, and scenic quality were adequately mitigated and that the project, with the mitigation measures and modifications discussed in the sections above and in CC-16-85, was consistent with Sections 30250(a), 30260, and 30262(b).

Related Commission Action

<u>CC-16-85</u> - On September 24, 1985, the Commission objected to the initial consistency certification proposed by Cities for this platform. The Commission found in that case that it did not have sufficient information in a number of areas to find the project consistent with the CCMP.

CC-56-86 - Concurrently with the subject DPP consistency certification, the Commission concurred with the Phase I NPDES permit issued by the EPA. This portion of the permit covered only sanitary wastes, desalination unit discharges, deck drainage and fire control systems test water. Phase II of the NPDES permit was submitted twice and withdrawn twice by Cities (CC-61-86 and CC-12-87).

For More Information, Refer To:

Adopted Commission Findings on Re-Submitted Consistency Certification, dated March 25, 1987.

CC-52-86 KOREA DRILLING CO., NPDES PERMIT FILE DATE: 10/03/86, EPA

Summary

The Commission objected to the Korea Drilling Co.'s consistency certification for its NPDES permit due to adverse employment impacts from non-domestic operations and safety concerns relating to training and language proficiency. The Commission's objection was overridden on appeal by the Secretary of Commerce.

II. Compendium

- 1. <u>Project Description</u>. Consistency certification by Korea Drilling Co. (KDC) for a draft NPDES individual permit (No. CA0110702) issued by EPA authorizing the discharge of drilling muds and cuttings and other waste materials used during oil and gas exploratory drilling operations from the semi-submersible drilling vessel, Doo Sung. KDC's permit was called an individual permit by EPA, but the permit covered drilling vessel activities not associated with any specified tracts or projects. The permit authorized KDC, at some future date, to contract with oil companies to discharge muds and cuttings on specific tracts leased by those oil companies.
- 2. Commission Action and Date. Objection, November 14, 1986.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>
 - A. Marine Resources/Water Quality

Mitigation in Project as Submitted:

(1) Compliance with EPA NPDES permit conditions.

Project Modifications Made During the Consistency Review Process.

(1) The NPDES permit authorized activities performed in accordance with the conditions of a valid NPDES permit held by a POE operator and Commission consistency certification. Prior to conducting activities under this permit, KDC would submit to the Commission a written statement from the POE operator at each affected lease site which stated that this operator had received or would receive a valid NPDES permit prior to the commencement of any drilling and discharge activities as well as a concurrence with a Commission consistency certification for the operator's NPDES permit as required by the federal CZMA. KDC stated that no activities would be conducted under this permit without authorization of the operator's NPDES permit, and that it would conduct all activities in accordance with any such authorization and state consistency certification.

<u>Basis</u>: KDC's NPDES permit contained provisions similar to EPA's proposed draft general NDPES permit to which the Commission objected, in part due to that permit's general nature (see CC-38-85 and CC-39-85). In light of the many different tracts covered under KDC's permit, the Commission concluded that this permit was also too general. The above modification resolved this concern because it established that the Commission would have the ability to review all specific projects and their discharges to address any site specific circumstances and review an individual project's consistency with the CCMP. The proposed modification enabled the Commission at an appropriate future date to determine whether the least environmentally damaging alternative locations were selected for any project under consideration.

According to professors at the University of California at Santa Barbara, who conducted a study, drilling fluid discharges can adversely affect the normal expected lifespan of marine organisms. A University study showed settlement patterns of marine organisms such as abalone to be inhibited at one one-hundredth of the permissible concentration of mercury allowed under EPA's draft general permits. The subject permit contained the same permissible concentration standards as EPA's draft permits to which the Commission had objected (see CC-38-85 and CC-39-85). The Commission found that marine resources could be adversely affected by the proposed activity and that the proposed activity conflicted with Sections 30230 and 30231, which address marine resources. The Commission found that the subject individual permit would be implemented only in accordance with an individual NPDES permit held by the POE operator, and where the Commission's concerns for site specific information and maximum feasible mitigation could be addressed through any applicable Commission decision under the federal consistency provisions. However, for this project, the Commission found that the permit was not mitigated to the maximum extent feasible in light of the project-related safety issues.

In reviewing the project under Section 30260, the Commission found the project inconsistent with the second and third tests of Section 30260.

The Commission found the project consistent with Section 30260(1) due to the Commission's ability at a subsequent project-specific stage to determine the least environmentally damaging alternative location for any specific project.

Under Section 30260(2), the Commission noted that its concurrence with the subject project would add another vessel to the fleet of offshore drilling vessels and thus increase competition between vessels attempting to find drilling work during a time of depression in the offshore oil industry. The operation of KDC, a foreign company, mainly using non-domestic workers, would result in fewer opportunities for local workers already looking for work. The Commission noted that Section 30001(d) contains specific legislative findings which stress the importance of employment for the people of California. The Commission found that an objection to the proposed activity would not inhibit exploration or drilling activity in the Santa Barbara Channel area, as other vessels were available to perform the functions of the Doo Sung; thus oil and gas activities would not be disrupted. Concurrently, the Commission found that to concur would adversely affect the public welfare. The Commission found the proposed activity inconsistent with the provisions of Section

Under Section 30260(3), the Commission found that foreign firms, such as KDC, operating in U.S. waters may not be fully trained in U.S. regulations and safety procedures. In light of inadequate training and language barriers, key personnel might not be able to react quickly and efficiently in emergency situations, thereby adding an unacceptable risk to the protection of marine resources. The Commission found that maximum feasible mitigation had not been provided, and that the project was inconsistent with Section 30260(3).

4. Other Issues

A. Commercial Fishing.

As with marine resources, the Commission found the deposition of drilling sediments on hard bottom habitat could result in the loss of commercial fishing grounds, and that commercial fishing could also be adversely affected by increased water column turbidity, and dispersal of harmful toxics which bioaccumulate and cause reproductive and predator response disorders in organisms. As proposed, the Commission found the project inconsistent with Sections 30230 and 30234, which address commercial fishing. As noted above, the Commission found that the subject individual permit would be implemented only in accordance with an individual NPDES permit held by the POE operator and where the Commission's concerns for site specific information and maximum feasible mitigation could be addressed through any applicable Commission decision under the federal consistency provisions. However, for this project, the Commission found that the permit was not mitigated to the maximum extent feasible in light of the project-related safety issues.

- 5. Appeal to the Secretary of Commerce. The Secretary of Commerce overrode the Commission's objection. The Secretary found that: (1) the project furthered one or more of the national objectives of the Coastal Zone Management Act, in that it furthered the exploration for and development of offshore oil and gas resources; (2) the project's adverse effects were not substantial enough to outweigh its contribution to the national interest; (3) the project would not violate any Clean Water Act or Clean Air Act requirements; and (4) that there was no reasonable alternative available that would permit the activity to be carried out in a manner consistent with the CCMP.
- 6. Related Commission Action. As discussed above, see CC-38-85 and CC-39-85 for the Commission's objection to EPA's General NPDES Permit.
- 7. Additional Information. Adopted Commission Findings, dated December 10, 1986; Secretary of Commerce Decision and Findings, January 19, 1989.

CC-61-86 CITIES SERVICE, NPDES PERMIT (WITHDRAWN)
OCS-P 0409, NPDES PERMIT (PHASE II) FOR PLATFORM JULIUS
FILE DATE: 11/12/86, EPA

Summary and Compendium

This consistency certification was for Phase II of the NPDES waste discharge permit issued by EPA to authorize waste discharges from Platform Julius on OCS-P 0409 in the northern Santa Maria Basin. The Commission previously concurred with a consistency certification for Phase I discharges from the platform, as well as for the operation and production of the platform, on January 13, 1987 (see CC-49-86 and CC-56-86). Phase I of the discharge permit covered sanitary wastes, desalination unit discharges, deck drainage, and fire control systems test water. Phase II, which was the subject of this separate consistency certification, covered drilling muds and cuttings discharges and other wastes associated with the drilling process, as opposed to the Phase I discharges, which were associated more with the construction and installation process.

This consistency certification was withdrawn from Commission consideration on March 23, 1987.

CC-8-87 CHEVRON, NPDES PERMIT OCS-P 0205, NPDES PERMIT (PHASE II) FOR PLATFORM GAIL FILE DATE: 02/27/87, EPA

I. Summary

The Commission objected to Chevron's consistency certification for an EPA NPDES discharge permit for Phase II and III (drilling and production phases) of Platform Gail (EPA NPDES Permit No. CA 0110737). Covered by this permit were discharges of drilling muds, cuttings, produced waters, well completion and treatment fluids, excess cement, cooling water and blow-out preventer control fluid. These wastes were to be discharged from a caisson 240 feet below the waterline. Phase I discharges were covered under a separate permit (EPA NPDES No. CA0110711, see CC-44-86).

project site was located on OCS Lease P-0205, Santa Clara Unit. approximately 24 miles southeast of Santa Barbara, 11 miles southwest of Ventura, within important commercial fishing grounds and near to the Channel Islands Marine Sanctuary (0.5 miles) and National Park (6.5 miles). objecting, the Commission found: (1) that the proposed discharges were inconsistent with provisions of the State Ocean Plan and CCMP policies regarding protection of marine resources and biological productivity. commercial fishing, and sensitive habitat areas of special biological significance; (2) that cumulative impacts of discharges from this and other projects would adversely affect land and water uses in the coastal zone; (3) that Section 30262(f) requires a consideration of reinjection of oil field brines or an explanation of why reinjection is not feasible; (4) that alternatives, in the form of additional mitigation measures, were feasible which would have allowed discharges to occur in a manner consistent with the CCMP; and (5) that without including these additional mitigation measures, the discharges were not mitigated to the maximum extent feasible and concurrence would not be consistent with the public welfare.

Possible alternatives which the Commission found could bring the project into conformance with the CCMP included reinjection of produced waters; separation of muds and cuttings discharges from produced water discharges (either temporally or spatially); a diffuser for the produced water outlet; onshore disposal of muds and cuttings; third-party monitoring of permit compliance; and toxicity testing of muds and cuttings prior to discharge rather than 45 days after.

The Office of Ocean and Coastal Resources Management (OCRM) did not recognize the Commission's objection, on the grounds that the Commission's letter of notification of its objection was inadequate and did not meet the requirements of the federal consistency regulations (specifically 15 CFR Section 930.64.) OCRM determined that the six-month time limit for Commission review had lapsed without proper notification of the Commission's action, and that therefore indicated that concurrence could be conclusively presumed. The EPA was informed of OCRM's position and EPA issued the permit. The Commission disagreed with OCRM's position regarding the notice of objection but chose not to litigate the issues with respect to EPA's issuance of the NPDES permit for Platform Gail.

II. Compendium

- 1. <u>Project Description</u>. EPA NPDES permit (No. CA0110737) to discharge drilling muds, cuttings, produced water, well completion and treatment fluids, excess cement, cooling water and blow-out preventer control fluid from drilling and production activities on Chevron's Platform Gail. The platform is located on Lease OCS-P 0205 approximately 24 miles southeast of Santa Barbara, 11 miles southwest of Ventura and 6.5 miles north of Anacapa Island in the eastern Santa Barbara Channel. Offshore Unit: Santa Clara Unit. The wastes were to be discharged 240 feet below waterline.
- 2. <u>Commission Action and Date</u>. Objection, August 25, 1987. Note: the Office of Ocean and Coastal Resource Management (OCRM) determined that the Commission's notification of its decision did not conform to the requirements of 15 CFR Section 930.64, and that it was therefore not a procedurally valid decision within the six-month time limit for consistency review. OCRM therefore indicated that concurrence with the consistency certification could be conclusively presumed and the EPA was notified that it could issue the permit.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

None.

Other Issues.

- A. Marine Resources. Sections 30230, 30231, 30234 and 30240 address marine resources, areas of particular biological or economic significance, and commercial fishing; Section 30250 addresses cumulative impacts. The Commission determined that individual organisms, populations of organisms, and ocean currents cross freely between Federal and State waters and that drilling muds and produced waters discharged into the waters of the Federal OCS have affects on the uses of land and water within the coastal zone. Discharges impacting the coastal zone must therefore be consistent with the CCMP whether the discharge location is within state waters or, as in this case, outside. The Commission found that toxic and harmful pollutants contained in the proposed discharges would:
- adversely affect marine resources and biological productivity in State waters, rendering the project inconsistent with Sections 30230 and 30231;
- adversely affect commercial fishing by degrading fisheries resources, rendering the project inconsistent with Sections 30230, 30231, and 30234;
- adversely affect habitat areas and species of special biological significance, rendering the project inconsistent with Section 30240, particularly in reference to the Marine Sanctuary and to brown pelicans nesting on Anacapa Island which might suffer from bioaccumulation of toxic compounds by eating fish from the vicinity of Platform Gail's discharges:

- contribute to the cumulative effects of waste discharges in the area, rendering the project inconsistent with Section 30250(a);
- be inconsistent with Section 30262(f), which addresses reinjection of oil field brines or an explanation of why reinjection is not feasible.
- adversely affect the quality of State waters and, in addition to the above Coastal Act policies, be inconsistent with various provisions of the State Ocean Plan.
- B. <u>Section 30260: Mitigation and Public Welfare</u>. The Commission found that there were reasonable mitigation measures which, if adopted, would protect marine resources and permit the proposed activity to be conducted in a manner consistent with the CCMP. Because these measures were not included in the project, the Commission found that the project's impacts were not mitigated to the maximum extent feasible, that the project was therefore inconsistent with Section 30260(3), and that the public welfare would not be served, rendering the project inconsistent with Section 30260(2). The Commission recommended that Chevron revise its proposal and resubmit the consistency certification taking into consideration the following alternative mitigation measures:
- Reinjection of part or all of the produced waters, thereby eliminating their discharge into the marine environment;
- (2) Separation of produced water discharges from the discharges of drilling muds and cuttings, either temporally or spatially, thereby reducing the synergistic effect of particulate matter from the muds and cuttings scavenging heavy metals from the produced waters and accumulating them on the sea floor;
- (3) A diffusion structure for the produced water outlet, thereby increasing the dilution ratios;
- (4) Onshore disposal of muds and cuttings, thereby eliminating their discharge into the marine environment:
- (5) Third party monitoring of permit compliance, rather than having Chevron responsible for its own monitoring; and,
- (6) Toxicity testing of drilling muds prior to discharge rather than 45 days after discharge. Pre-discharge testing identifies the toxicity of the discharge before potential adverse effects are allowed to occur.

Related Commission Action.

The Commission objected to Chevron's original proposal for Platform Gail (CC-2-86) on July 8, 1986. Chevron modified the proposal and resubmitted it (CC-36-86). The Commission again objected on September 9, 1986. Chevron appealed to the Secretary of Commerce and filed a lawsuit against the Commission. On November 13, 1986, the Commission settled the lawsuit and authorized the project to proceed (see CC-36-86). On December 10, 1986, the

Commission concurred with Chevron's consistency certification for Phase I discharges from Platform Gail (sanitary and domestic wastes, deck drainage, desalination brine, and fire control system test water; EPA NPDES Permit No. CA0110711).

6. For More Information, Refer To:

Proposed Findings, dated 11/18/87.

CC-12-87 CITIES SERVICE, NPDES PERMIT (WITHDRAWN)
OCS-P 0409, NPDES PERMIT (PHASE II) FOR PLATFORM JULIUS
FILE DATE: 03/23/87, EPA

Summary and Compendium

This consistency certification was a resubmittal of CC-61-86, which had been withdrawn prior to any Commission action, for Phase II of the NPDES waste discharge permit issued by EPA to authorize waste discharges from Platform Julius in the northern Santa Maria Basin (OCS-P 0409). The Commission previously concurred with a consistency certification for Phase I discharges from the platform, as well as for the operation and production of the platform, on January 13, 1987 (see CC-49-86 and CC-56-86). Phase I of the discharge permit covered sanitary wastes, desalination unit discharges, deck drainage, and fire control systems test water. Phase II, which was the subject of this separate consistency certification, covered drilling muds and cuttings discharges and other wastes associated with the drilling process, as opposed to the Phase I discharges, which were associated more with the construction and installation process.

This consistency certification was also withdrawn from Commission consideration, on October 22, 1987.

CC-36-87 (AND E-87-4) GAVIOTA TERMINAL COMPANY INTERIM TERMINAL: MODIFICATIONS TO MARINE TERMINAL FILE DATE: 05/01/87 and 07/24/87, CORPS OF ENGINEERS

Summary

The Commission approved with conditions/concurred with a combined coastal development permit and consistency certification for the Gaviota Terminal Company's proposal for expansion of an existing marine terminal (from 3,400 to 100,000 barrels of oil per day (bbl/day) capacity) at Gaviota, Santa Barbara County, for interim use prior to the availability of a pipeline system (Celeron and Southern California Pipeline System (SCPS) to Texas and Los Angeles) or a consolidated marine terminal at Gaviota or the Las Flores Canyon Included in the permit application and consistency certification were Santa Barbara County's final 200 conditions on the project. Because of the significant benefits of pipeline transportation over tankering of oil, one of the key issues was the interim nature of the terminal. Under the County's conditions, the project would be phased out or an additional review would be triggered if either pipelines to Texas and Los Angeles became available or a consolidated marine terminal were available; in any event the County would re-review the project by July 1, 1990, if neither were available. Continued operation of the terminal after five years or after a pipeline or consolidated facility was available would a require a new permit. Other issues of concern were protection of kelp in the area, potential impacts on sea otters, systems safety, commercial fishing impacts, protection of cultural and recreational resources. and possible alternative locations for the terminal. conditions adopted by the Commission addressed: 1) the interim operation of the terminal, 2) oil spill clean up drills, 3) annual review of oil spill response equipment, 4) an evaluation of potential oil spill impacts on sea otters, 5) a study of the vapor recovery/inert gas system to be used, 6) inert gas system training for fire department employees, 7) placement of anchors to protect kelp, 8) a construction corridor, 9) a kelp survey and restoration program, 10) measures to eliminate or reduce offshore blasting impacts, 11) a program to monitor the impacts of vessel traffic on gray whales, and 12) timing of construction to avoid gray whale migration.

[For consistency review, the project included the conditions imposed on the permit.]

II. Compendium

Project Description.

The project consisted of expansion of the existing Gaviota Marine Terminal in Santa Barbara County at Gaviota and offshore on State Lands Lease 2199.1, approximately 30 miles west of the City of Santa Barbara in state waters. The applicant was Gaviota Terminal Company (GTC), a General Partnership including Chevron U.S.A., Inc., Exxon Company, U.S.A., Phillips Petroleum Company, Sun Crude Trading and Transportation Inc., and Texaco Trading and Transportation Inc. Texaco would be the managing partner of the onshore facility, and Chevron would be the operator of the offshore portion of the lease.

The principal purpose for the interim marine terminal facility was the tanker transportation of oil from Point Arguello and production via the Chevron processing plant at Gaviota to refineries (see compendium, Gaviota processing facilities A-4-STB-84-91 et al).

The existing terminal consisted of four crude oil storage tanks, two storage tanks for water and gasoline, pumping and transfer facilities (from tanker truck to storage), and a six point tanker mooring at 2400 feet from shore. Crude oil entering the terminal was delivered by tanker trucks. The major modifications to the existing terminal would include: 1) relocation of the six point mooring from 2400 to 3500 feet offshore; 2) addition of a 30" offshore crude pipeline; 3) construction of two new storage tanks; and 4) addition of a new vapor recovery system. The capacity for oil throughput would be increased from an average of 3400 barrels of oil per day (bbl/day) to 100,000 bbl/day, and the vessel calls would increase from 16-18 to 137 per year. This capacity was designed to accommodate production from the Point Arguello field.

2. Commission Action and Date.

Concurrence with the consistency certification and approval with conditions of the coastal development permit, August 25, 1987. [For consistency review, the project included the conditions imposed on the permit.]

3. Issues Involving Conditions Imposed.

Many conditions were imposed prior to the Commission's review by Santa Barbara County (County), the Santa Barbara County Air Pollution Control District (SBCAPCD), the State Lands Commission (SLC), and the U.S. Army Corps of Engineers (Corps). These conditions were incorporated into the project as submitted. Because there are too many conditions to list them all, only selected conditions are discussed here.

A. Transportation of Crude Oil.

Conditions:

- (1) Tankering would be terminated with the availability of either operational pipelines to Texas and Los Angeles or an operational consolidated marine terminal at Las Flores Canyon. If neither of these options were in place by July 1, 1990, continued use of the terminal would trigger a public hearing and further action by the County; (County)
- (2) Operation of the project would be terminated at the earlier of 90 days after pipelines or a consolidated terminal were available, or by August 1, 1991, unless a one-year extension was granted by the Commission. If operation beyond 1992 was desired, a new permit would be required. Within 30 days of termination of the project, GTC/Texaco would institute the abandonment and restoration plan set forth in the County's conditions.
- <u>Basis</u>: The expenditures that GTC/Texaco would undertake would be made with the knowledge that it had approval only for an interim period, and that the Commission did not have to consider these expenditures in any subsequent review for continued operation. Sections 30320, 30231, 30232, 30253, 30260

and 30262 address various issues and aspects of operations, including marine resources, air quality, and consolidation. The Commission found that transportation by pipeline when feasible was necessary to protect marine resources, and because of the risks of impacts from marine transportation, the proposed development was not consistent with Sections 30230, 30231, and 30232. However, because the development would be interim, and a new review would be required for operation beyond the specified period, and because of the mitigation measures that would be required for the project, the Commission found that the duration and extent of the impacts would be mitigated to the maximum extent feasible and the development was consistent with Section 30260(3).

B. Oil Spills.

Mitigation in Project as Submitted:

- (1) An oil spill trajectory analysis, oil spill training exercises, and helicopters and spill tracking buoys for monitoring spill movement; and,
- (2) A series of dikes to contain an oil spill within the oil storage area.0 Conditions:
- (1) An oil spill containment and clean-up drill conducted by the Commission in coordination with the Department of Fish and Game, the State Lands Commission, and the U.S. Coast Guard. All of the onsite equipment would need to be deployed and operational within one hour and thirty minutes of the time the drill was called, and Mr. Clean III would have to be onsite within two hours. If the drill was not successful, a second drill would be called. If the second drill was unsuccessful, operations could be terminated until a successful drill was completed:
- (2) Annual review of oil spill response equipment and procedures. If improvements were determined by the Executive Director to be reasonable and feasible, GTC/Texaco would need to implement them within one month; and,
- (3) A study to evaluate the ability of industry groups and government agencies to contain and clean up oil spills in the sea otter range. This study would include a review of the toxicity and effectiveness of dispersants. As a result of this study, the Executive Director could require that funds be provided for additional measures to reduce the total risk of spills in the sea otter range to the maximum extent feasible.
- <u>Basis</u>: If spills occurred at this facility, they would probably be in the nearshore environment, so the chance of shoreline contact was high. The Commission found that the spill cleanup equipment in the open ocean could not provide effective containment and recovery of the oil, and therefore the project was inconsistent with Section 30232, which addresses oil spills. The Commission also found that the project would contribute to the unmitigatable cumulative risks of oil spills in the 1,000 barrel and 10,000 barrel range and was therefore not consistent with Section 30250, which addresses cumulative impacts. The Commission found that GTC/Texaco had provided the maximum feasible methods to determine oil movement and to protect areas threatened by spills. The Commission found that the proposed oil spill cleanup and response

equipment, procedures, and future studies would constitute maximum feasible mitigation, and that the project was consistent with Section 30260(3).

C. Marine Resources.

Mitigation Measures and Clarifications In Project as Submitted:

(1) Tankers that used the terminal would be required to have ballast tanks that were separate from the oil tanks, so that any ballast water discharged would be clean.

Conditions:

- (1) Construction vessel traffic through the kelp bed area and construction equipment through the intertidal and surf zone would be limited to a corridor 150 feet in width; (County)
- (2) Once construction had been completed, only vessels required for routine pipeline inspection and maintenance, kelp mitigation surveys and restoration, oil spill drills or emergency situations would be allowed to use the corridor;
- (3) The pipeline corridor would be limited to 50 feet in width. Impacts outside the corridor would be mitigated upon project completion, and impacts within the corridor would be mitigated if, in the opinion of the Corps, there was not adequate recovery within 2 years; (County/Corps)
- (4) No barge anchors or anchor lines would be placed in any kelp bed area, except as provided in one of the Commission's conditions;
- (5) Anchors would avoid kelp plants, and the shortest possible anchor lines would be used in the kelp bed area;
- (6) Reasonable efforts would be made to avoid disturbing kelp during anchor setting and retrieval, including setting and lifting lines that reach through the kelp bed area with an auxiliary vessel;
- (7) Pre- and post-construction diving surveys of the pipeline area; (County/Corps)
- (8) A series of down-looking sonar or recording fathometer transects of the entire kelp bed area likely to be impacted by construction;
- (9) Aerial photographs would be taken prior to construction and within one month of the completion of construction and immediately analyzed for kelp loss:
- (10) A resurvey of the pipeline corridor to be completed within 2 years. If the Executive Director, in consultation with the Department of Fish and Game, determined that the kelp had not recovered, GTC/Texaco would institute a replanting program;
- (11) Damage to kelp outside the 50-foot wide corridor that would not be restored naturally within 6 months would be restored immediately upon completion of construction;

- (12) The restoration program would be monitored, and evidence would be presented to the Executive Director that the program was successful;
- (13) The pipeline route would avoid hard bottom features in the intertidal and surf zones that could not be mechanically trenched. If GTC/Texaco believed that such a route was not possible and blasting would be necessary, a proposal for blasting, including contingency plans to mitigate potential impacts to marine resources, would have to be approved by the Executive Director;
- (14) A study on the impact of the increased level of large vessel traffic on migrating gray whales;
- (15) No construction seaward of the kelp beds past December 15, 1987, unless the Executive Director approved a plan to minimize impacts to gray whales:

[Note: Conditions 16-21 below were imposed through the Corps permit and the U.S. Fish and Wildlife Services Section 7 (endangered species) consultation; of three alternatives indicated, these conditions represent the chosen alternatives agreed to by GTC/Texaco.]

- (16) Tankers traveling north from the terminal would be restricted to 80 per year to protect the sea otters, and an annual report would be submitted to the Corps and the U.S. Fish and Wildlife Service that documented the vessel trips;
- (17) GTC/Texaco would participate in the Cities Service and ARCO Field Investigation Plan of Wildlife Cleaning and Rehabilitation Facilities, and would provide funding for additional facilities and/or equipment if the agencies involved determined that it was needed;
- (18) The Marine Wildlife Contingency Plan developed by Cities Service and Gas Corporation would be incorporated into the operation of the terminal;
- (19) Texaco would conduct a study of spill data for ships that use the terminal during its operation; and,
- (20) Texaco would conduct a spill trajectory modeling study throughout the sea otter range.

<u>Basis</u>: The Commission found that it did not have adequate information on the effect of pipeline construction on gray whale migration, and therefore the above restrictions and monitoring were necessary to enable the Commission to find the proposal consistent. Because of the risks to marine resources, and in particular to the southern sea otter and other endangered species, the Commission found that the project did not comply with Sections 30230, 30231, and 30240, which address marine resources and environmentally sensitive habitat areas, and with Section 30250, which addresses cumulative impacts. The Commission found that the use of segregated ballast tanks, an element of the project as proposed, would avoid nearshore contamination from dirty ballast water, so marine resources would be protected, and the project complied with Section 30261, which addresses new tanker facilities. The Commission found that the quality of the nearshore waters would be degraded

because of continuing low level hydrocarbon contamination, and could be degraded severely if there was a major oil spill, so the project was inconsistent with Sections 30230 and 30231.

Overall, the Commission found that maximum feasible mitigation would be provided by the above conditions, and that therefore the project was consistent with Section 30260(3). The Commission found that protection of marine resources would not be enhanced by relocation of the terminal upcoast or downcoast, and therefore that the proposed location was less environmentally damaging than other locations, and the project was consistent with Section 30260(1).

D. Commercial Fishing.

Mitigation Measures and Clarifications In Project as Submitted:

- (1) The new six point mooring would be positioned at the start of the construction phase and all support and construction vessel operations would be kept within it:
- (2) Funding would be provided to employ and maintain adequate personnel to monitor and enforce all conditions from a land site position for the duration of the construction phase;
- (3) A temporary buoy pattern would be used during construction to indicate a known construction traffic corridor; and,
- (4) Anchor scars would be minimized by using vertical lifts with water jetting if necessary.

Conditions:

- (1) Notices to fishermen would be provided prior to commencement of any offshore construction, including a 30-day notice in the Marine Advisor's newsletter; (County)
 - (2) A local Fishermen's Contingency Fund; (County)
- (3) All construction mooring buoys and equipment lost overboard would be removed; (County)
- (4) Pipelines would be designed to be smooth, with no protrusions; (County)
- (5) A fisheries training program would be required for all support boat operators; (County)
- (6) The Oil Service Vessel Traffic Corridor Program would be followed; (County)
- (7) Contributions would be made to the County's Fisheries Enhancement Fund at a rate of \$10,000 per year, pro-rated, during offshore construction, and \$23,938 annually for the life of the project; (County)
- (8) All support vessels and tankers would be moored according to a mooring plan; (County)

- (9) The offshore portion of the terminal would be constructed during closed seasons or reduced periods for gill netting, trapping, and trawling operations unless other appropriate mitigations were negotiated with affected fisheries; (County)
 - (10) The construction time would be minimized; (SLC)
- (11) Construction would be scheduled to avoid overlapping preemption of fishing areas; (SLC)
 - (12) All construction equipment would be removed upon completion; (SLC)
 - (13) The location of seafloor modifications would be published; (SLC)
- (14) Seafloor disturbance would be minimized through best available construction techniques. (SLC)

<u>Basis</u>: The Commission found that with the above conditions and mitigation measures provided by GTC/Texaco, the commercial fishing impacts could be mitigated to an insignificant level except for those impacts not directly or completely mitigable, including preclusion, uncompensated economic loss due to debris, and possible loss of fish from an oil spill. Because of residual adverse impacts, the Commission found the project inconsistent with Sections 30230, 30231, and 30703, which address commercial fishing, and with Section 30250, which addresses cumulative impacts. However, it found that with all of the mitigation measures, including the Fisheries Enhancement Fund, which would provide funding to offset loss from those impacts not directly or completely mitigable, the fishing impacts would be mitigated to the maximum extent feasible, and the project was consistent with Section 30260(3).

E. Vessel Traffic and Marine Terminal Safety.

Conditions:

- (1) Recommendations made by the County System Safety and Reliability Review Committee would be incorporated into the terminal plans; (County)
- (2) GTC/Texaco would follow the safety procedures outlined in its Safety Inspection, Maintenance and Quality Assurance Program and its Emergency Response Plan; (County)
- (3) A technical review of the vapor recovery/inert gas system that was going to be installed would be submitted to the Executive Director for his approval. If problems with the system were identified, corrective measures would be taken:
- (4) Four to six Santa Barbara County Fire Department personnel would be trained on the inert gas system (County);
- (5) Funds would be provided to the County to develop and implement a County Emergency Response Plan for oil and gas industry related emergencies. Funds would also be provided to contribute to the operating costs of the Gaviota fire station, and to hire a full-time fire inspector for the fire station; (County)

- (6) Two tankers using the terminal would not operate simultaneously within the Santa Barbara County Air Pollution Control District; (SBCAPCD)
- (7) The onshore range-markers would be lit at night and during periods of low visibility when a tanker was approaching; (County)
- (8) A site-specific weather surveillance and forecasting system would be implemented prior to operation to provide pilots with accurate information on weather conditions. (County)

<u>Basis</u>: The Santa Barbara County Fire Department had the main fire fighting responsibility at the terminal, so the Commission found that the safe operation of the terminal would require that the fire department be trained in the inspection and operation of the vapor recovery/inert gas system. With respect to system safety (fire and explosion risks), the Commission found that the project would contribute to the cumulative risk of fire and explosion. However, it found that with the mitigation measures required by the County, and because of the temporary nature of the facility, the project would not have significant cumulative adverse safety effects on coastal resources and was therefore consistent with Section 30250(a).

With all of the safety measures included in the project proposal, the County conditions, and the Commission conditions, the Commission still found that operation of the terminal could result in an oil spill, and therefore the project was inconsistent with Section 30232, which addresses oil spills. However, because of the mitigation measures that would be implemented, the short-term operation of the terminal, and the lack of exploratory or production activities in the immediate area, the Commission found that the impacts were mitigated to the maximum extent feasible, and that the project was consistent with Sections 30261(a), which addresses new tanker facilities, and 30260(3).

F. Air Quality.

Conditions:

- (1) The conditions identified in the Final Authority to Construct permit issued by the SBCAPCD would be followed. These conditions included provisions for reduction of emissions of all major pollutants, use of offsets for the remaining emissions, and emission and air quality monitoring; (SBCAPCD)
- (2) Only vessels with emission levels approved by the SBCAPCD would be permitted to use the terminal. (SBCAPCD)

Basis: GTC/Texaco proposed to use a vapor recovery system at the terminal, which would eliminate at least 95% of the hydrocarbon vapor generated, and also reduce the NO_{X} emissions. The Air District (SBCAPCD) requirements included a particulate concentration reduction and mitigation study, and implementation of control measures identified in the study. The Commission found that, with the Final Authority to Construct permit conditions, including Best Available Control Technology and full offsets for remaining emissions, the project was consistent with Section 30253(3), which addresses air quality. The Commission found that the addition of new emissions from the project, even with offsets, in an air basin that already had significant air

quality problems may cause a cumulative impact inconsistent with Section 30250. With the mitigation measures and the condition requiring use of pipelines when feasible, and because the project was interim only, the Commission found maximum feasible mitigation had been provided and the project was consistent with Section 30260(3).

G. Cultural Resources.

Conditions:

- (1) Known cultural resource sites would be avoided; (County)
- (2) All excavation or construction related disturbance activities would be monitored by a qualified archaeologist in consultation with Native American representatives; (County)
- (3) Recovered non-burial associated cultural resource artifacts would become the property of Native Americans; (County)
- (4) Discovered burials or burial associated artifacts that could not be avoided would be tested by the archaeologists, and a mitigation plan would be prepared in consultation with the Native American community; (County)
- (5) If the brick drain site had to be disturbed, it would be recorded according to historical procedures prior to disturbance; (County)
- (6) The areas of the anchors and pipeline would be surveyed by divers, and if any potential cultural resources were found, the advice of trained archaeologists would be followed; (County)
- (7) Installation and pipelaying procedures would be monitored, and if potential cultural resources were found, activities would be halted and the recommendations of an archaeologist would be followed. (County)
- <u>Basis</u>: There were a number of cultural resources in the area of the onshore portions of the project, but the only site that could be impacted by the project was a historic brick drainpipe. Historic resources offshore included five known shipwrecks, a shipwreck anomaly, and some unidentified seabottom features, but no impacts on these offshore resources were anticipated from the project. The Commission found that the potential cultural resource impacts would be mitigated to an insignificant level through County requirements for site avoidance, construction monitoring, and mitigation plans. The Commission therefore found that the project was consistent with Section 30244, which addresses archaeological and paleontological resources, and with Section 30260(3).

H. Recreation, Public Access and Visual Resources.

Mitigation in Project as Submitted:

- Detailed plans for housing construction workers, including reduction of impacts to local parks, to be reviewed by the County through the Final Development Plan;
 - Alternative bikeway routes would be established;

- (3) Provisions for vertical access to the beach;
- (4) Provisions for a bike path across the project site;
- (5) Contributions to a Coastal Resource Enhancement Fund for enhancement of coastal recreation, aesthetics, tourism, and/or environmentally sensitive resources;
- (6) Development of lateral access across the beach as part of the County's Final Development Plan;

Conditions:

- Vegetation screening as specified in the adopted landscape plan;
 (County)
- (2) New storage tanks would be constructed at an elevation that was no higher than two feet below the tops of existing tanks; (County)
 - (3) Restrictions on exterior lighting; (County)
 - (4) Approved color schemes would be used; (County)
 - (5) Noise restrictions for construction and operations; (County)
 - (6) Helicopters would be used only for emergency transport: (County)
- (7) A phaseout and abandonment plan that provided for the removal of all terminal facilities as well as recontouring and revegetating the site. (County)

<u>Basis</u>: The Commission found that the areas in which the development would take place contained important scenic and recreational resources. The onshore development and tankers would be visible along Highway 101 and the railroad. Construction and operation activities would interfere with recreational and access opportunities. The Commission found that with the mitigation measures in the project proposal and the conditions required by the County, the project, except for the tanker activity at the terminal, was consistent with Sections 30210, 30211, 30212, 30213, 30221, 30240(b), 30250, and 30251, which apply to recreation, public access and visual resources. However, because of the visual and recreational impacts of the tanker activity, the Commission found the project was inconsistent with each of those sections. The Commission found that the tankering impacts would be mitigated to the maximum extent feasible, and that the project was therefore consistent with Section 30260(3).

Land Resources.

Conditions:

- (1) A water quality monitoring program to verify adequate treatment of runoff; (County)
 - (2) A water conservation program; (County)

- (3) The freshwater source for construction activity would contain no more than 5,000 parts per million total dissolved solids; (County)
 - (4) An engineered drainage plan; (County)
 - (5) Grading would not occur during the rainy season; (County)
 - (6) Herbicides would not be used during construction; (County)
- (7) A restoration, revegetation, and implementation plan for an onshore oil spill; (County)
- (8) A survey of impacts caused by construction and any necessary mitigation measures; (County)
 - (9) Landscaping plans; (County)
- (10) A bond would be posted to ensure completion of all landscaping and revegetation plans; (County)
- (11) All development would occur with a minimum setback of 50 feet from butterfly trees. (County)

Basis: Federally listed rare, threatened, or endangered wildlife species, or species that could receive state protection under the California Environmental Quality Act were known to use the site or its environs on an infrequent basis. No rare, threatened, or endangered plants were known to occur at the The Commission found that there would probably be minimal impacts to habitat areas, except for temporary construction disturbances to wildlife in There could be minor impacts to surface water but no impacts to the area. groundwater were expected. The Commission found that the potential for many of the possible habitat and land resource impacts would be mitigated to an insignificant level by County conditions, with the exception of certain upset conditions (fires, explosions, and oil spills). With the exception of the impacts caused by these upset conditions, the Commission found the project consistent with Section 30231, which addresses coastal waters, Section 30240, which addresses environmentally sensitive habitat areas, and Section 30250, which addresses cumulative impacts. The Commission found that the potential impacts from upset conditions were mitigated to the maximum extent feasible and therefore the project was consistent with Section 30260(3).

- Other Issues.
- Geologic Hazards.

Mitigation in Project as Submitted:

(1) The pipeline would avoid an area of potentially unstable seafloor sediments and would be placed essentially parallel to the bathymetric contours to minimize damage to the pipelines should the seafloor liquefy during strong storms or major earthquakes;

- (2) At the beach crossing, the 30 inch loading line would be buried at least three feet below the maximum point of scour in sand, or when in bedrock, would be placed in a trench so that the top of the pipe would be at least even with the top of the exposed bedrock, in order to prevent the pipeline from being exposed due to scour and minimizing the pipeline's impact on littoral transport:
- (3) The pipeline would be installed through the intertidal area with measures that minimize excavation impacts and ensure trench wall stabilization;
- (4) If the storage tanks had to be placed in the Rincon formation, special engineering design would be used, since the clays in that formation expanded when wet, which could cause damage to the tanks or pipe connections;
- (5) The project would be designed to withstand a peak horizontal ground acceleration of 0.24g for the design level earthquake and 0.54g for the extreme level earthquake.

<u>Basis</u>: Erosion and debris slides were fairly common in the project area. There was an area of potentially unstable seafloor sediments approximately one mile offshore of the site. No faults passed beneath any of the proposed onshore oil storage tanks, and the hazard posed by surface rupture was minimal. The Commission found that all potential geologic constraints at the project site were identified and mitigated by avoidance or engineering design, so the proposed facilities were consistent with Sections 30253 and 30262, which address geologic hazards. The Commission also found that GTC/Texaco had mitigated the geologic hazards to the maximum extent feasible by avoidance and design of the project components, so the project was consistent with Section 30260(3).

B. <u>Consolidation of Facilities</u>.

The proposed facility would be an expansion within the developed areas of an existing terminal except for the extension of the mooring to 3500 feet. The Commission determined that the alternative locations would be more environmentally damaging and the combined use of existing facilities would be insufficient to accommodate interim production. The Commission found that the proposed multi-company interim terminal, as conditioned by the County and the Commission, including its phase-out if a consolidated facility at Las Flores Canyon became operational, provided consolidation to the maximum extent feasible and was therefore consistent with Sections 30250, 30260(3), and 30261(a).

C. Alternative Locations.

The UNOCAL terminal at Cojo Bay was located in an otherwise non-industrialized section of the coast, and in order to operate it would require a pipeline and additional tank storage, both of which would have substantial impacts. The Exxon terminal at El Capitan had not been used for the previous 15 years, and its use would require virtually complete reconstruction, additional storage facilities and a crude oil pipeline. The ARCO terminal at Ellwood was located near sensitive coastal resources and heavily settled areas, and its use would require new storage tanks and a new pipeline. The Commission found that the combined capacities of existing facilities was insufficient to accommodate the

projected 100,000 bbl/day capacity of the interim production period generated by the Pt. Arguello Field platforms. It found therefore that alternative locations for the terminal were less feasible and/or would result in more environmental damage, and that the project was consistent with Section 30260(1).

5. Related Commission Action.

For Point Arguello Field Platforms, see CC-12-83, CC-27-83, and CC-24-84.

In an amendment to E-87-4, dated June 9, 1988, the Commission authorized four vessels without segregated ballasts to use the marine terminal, based on the understanding that no discharge of oily water from the non-segregated tanks would be allowed in ocean waters on the voyage to or from the terminal. Discharge from non-segregated tanks would only occur at terminals equipped with deballasting facilities.

6. For More Information, Refer To:

Adopted Findings, dated August 25, 1987.

CC-47-87 TEXACO, POE, 8 WELLS, OCS-P 0512 FILE DATE: 09/21/87. MMS

I. Summary

The Commission objected to Texaco's POE for 8 wells on OCS-P 0512, located adjacent to State waters and three miles southwest of Point Conception. This was the first Lease Sale 80 POE to be acted on by the Commission. The Commission objected, based on cumulative impacts and an unusually large number of site-specific resource constraints, consisting of commercial fishing and other marine resources, the lack of effective oil spill clean up capabilities, vessel traffic safety hazards, the complex currents, and the high biological productivity of the area.

Project modifications during the review process consisted of crew and supply boat emission reduction techniques, additional drilling muds discharge restrictions, increased oil spill cleanup storage capacity, and submittal of anchor plans.

On appeal, the Secretary of Commerce overrode the Commission's objection.

II. Compendium

- 1. <u>Project Description</u>. POE and NPDES permit. Eight exploratory wells (and associated discharges) on OCS Lease P 0512, adjacent to State waters, and three miles southwest of Point Conception, offshore of Santa Barbara County in the southern Santa Maria Basin, Point Arguello Field. Drillship: Diamond M. General. Water depths: 310 to 525 ft. Offshore unit: adjacent to Castle Rock Unit. Lease Sale 80 tract.
- 2. Commission Action and Date. Objection, February 23, 1988.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.
 - A. Oil Spills.

Mitigation In Project As Submitted:

- (1) On-site standby boat with 1500 ft. of oil spill containment boom;
- (2) Skimmer capable of open ocean use;
- (3) A limited amount of oil storage capacity; and
- (4) Oil sorbent material.

Project Modifications Made During the Consistency Review Process:

(1) Increase in the amount of on-site oil storage capacity capable of accommodating 200 bbl. of capacity, to be provided through storage containers, sea bags, and/or oil sacks. <u>Basis</u>: Section 30232 addresses oil spills, and Section 30250 addresses cumulative impacts. The above modification responded to one specific concern over the adequacy of on-site oil storage capacity. Overall, however, the Commission objected on the oil spill issue, finding the project inconsistent with Sections 30232, 30250, and 30260(1), (2), and (3), based on a number of issues, including the individual and cumulative risks to marine resources, the complex currents in the Point Conception area, and the limited clean-up capability.

B. Commercial Fishing.

Mitigation In Project As Submitted:

- (1) Anchor plans for Well No. 1;
- (2) Use of a standby vessel to warn and assist fishing vessels during peak gill net fishing periods;
 - (3) Use of submerged anchor buoys during peak gill net fishing periods;
 - (4) Observe designated oil service vessel traffic corridors;
 - (5) Notification to fishermen of precise anchor plans;
 - (6) Mooring supply vessels to the northwest of the drillship;
- (7) Provide compensation for the temporary removal and replacement of trap and set gill net gear due to temporary displacement and any verifiable loss; and
- (8) Allow hook and line fishing when drilling is occurring and when hazardous conditions are not present.

Project Modifications Made During the Consistency Review Process:

(1) Anchor plans for subsequent wells, to be submitted to the Executive Director for his review, prior to any drilling of those subsequent wells.

<u>Basis</u>: Section 30230 addresses commercial fishing. The above modification addressed one of the commercial fishing issues raised, the need for the Commission to be able to determine whether anchor plans would avoid hardbottom habitat, thereby minimizing adverse effects from anchors on this habitat, which is important as a commercial fishing resource, as well as being biologically important.

Other commercial fishing issues raised were the preclusion of fishing on the lease from the presence of the drillship and anchor lines, and the impact of drilling muds discharges on hardbottom habitat. The Commission found the project inconsistent with Sections 30230, 30250, and 30260 because of the following: temporary displacement of commercial drift gill net fishing; cumulative preclusion of fishing was adverse and significant; and adverse impacts had not been mitigated to the maximum extent feasible.

Department of Fish and Game Fish Block: 658.

C. Air Quality.

Mitigation In Project As Submitted:

- (1) Hydrogen sulfide scrubber to reduce sulfur emissions; and
- (2) Four degree injection timing retard on the drillship to reduce NOx emissions.

Project Modifications Made During the Consistency Review Process:

- (1) Measures to reduce emissions from crew and supply boat traffic servicing the drillship, consisting of:
 - (a) supply boat speed reduction;
 - (b) reduced supply boat idling time at the drillship:
 - (c) supply boat engine turbocharging and intercooling; and
 - (d) switching from diesel fuel #2 to diesel fuel #1.

[Note: These measures essentially constituted implementation of the "Chevron Boat Study" (Crew and Supply Boat NOx Control Program, June, 1987, funded by Chevron and prepared by the Santa Barbara County APCD, in connection with development of the Point Arguello offshore oil field)].

<u>Basis</u>: Sections 30253(3) and 30414 address air quality. The onshore project area is in non-attainment for ozone and particulate matter. The project would emit significant quantities of NOx (oxides of nitrogen, an ozone precursor) and particulate matter, and the above modifications constituted Texaco's measures to reduce these impacts. The Commission noted that Santa Barbara County APCD rules which could have required more mitigation were not in effect at the time the POE was submitted to the Commission. The Commission found that the project was consistent with Sections 30253(3) and 30414.

D. <u>Drilling Muds/Water Quality</u>.

Mitigation In Project As Submitted:

(1) Compliance with the EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

- (1) Prohibition on discharges when shoreward currents were present (predominantly during spring and summer upwelling) for those wells near hardbottom areas, to be implemented by:
- (a) drilling wells 3 and 7 outside the spring upwelling period;
 (b) for wells 1,2,3,4, and 7, currents would be metered and monitored, and no discharges would occur when currents were moving towards shore; and
 (c) submittal of a work program, for Executive Director review and approval,
- detailing how the current metering program would be designed. The program would include consultation with scientists and agencies familiar with currents, state-of-the-art metering, and other information at a level of detail sufficient to assure the restrictions would be complied with.

<u>Basis</u>: Sections 30230, 30231, and 30412 address marine resources, environmentally sensitive habitat and the biological productivity of coastal waters, and Section 30250 addresses cumulative impacts. Deposition of drilling muds could smother and thereby significantly impact the sensitive hardbottom habitat on and adjacent to the coastal zone, especially during periods when currents would be transporting the discharges shoreward. Texaco modified the project to include the above program to minimize the effects of discharges on hardbottom habitat. The Commission found the project, as modified, consistent with Sections 30230, 30231, 30250, and 30412. However, the Commission objected to the NPDES permit, finding that it was inextricably linked to the POE.

4. Other Issues

Three other issues were raised, two of which formed part of the basis for the Commission's objection. These issues were:

- A. <u>Marine Resources</u> (hardbottom habitat and marine mammals). On this issue the Commission found the project inconsistent with Sections 30230 and 30231, which address marine resources, and Section 30260. The uniquely high degree of resource values at the project site, the lack of effective oil spill clean up capabilities, the complex currents, and potential impacts from drilling muds discharges on hardbottom areas, especially in the coastal zone, led the Commission to conclude that the project would adversely affect marine resources. The Commission also found that the applicant had not demonstrated that adverse impacts had been mitigated to the maximum extent feasible.
- B. <u>Vessel Traffic Safety</u>. The relevant Coastal Act policies were Section 30262(d), which addresses vessel traffic safety, and Section 30260. The Commission found the project inconsistent with Sections 30262(d) and 30260 on vessel traffic issues, due to the type of potential accidents made evident by the recent tanker collision between the Pac Baroness and the Atlantic Wing vessels near the subject lease, and the location of the lease immediately northwest of the terminus of the Coast Guard's established vessel traffic lanes, resulting in a wide variety of vessel traffic patterns in the area. The Commission determined Texaco had not demonstrated the impacts had been mitigated to the maximum extent feasible.
- C. <u>Geologic Hazards</u>. The Commission reviewed the geologic hazards map and shallow gas survey and found the project consistent with Sections 30253 and 30262, which address geologic hazards.
- 5. Appeal To The Secretary of Commerce. On May 19, 1989, the Secretary of Commerce overrode the Commission's objection. The Secretary determined the project was consistent with the federal Coastal Zone Management Act, finding the project: (1) furthered one of the objectives of the CZMA; (2) would not cause adverse effects on the coastal zone substantial enough to outweigh its contribution to the national interest; (3) would not violate the Clean Air Act or the Federal Water Pollution Control Act; and (4) there was no reasonable alternative available to Texaco that would permit the project to be carried out consistent with the CCMP.
- 6. For More Information, Refer To: Adopted Findings, Dated 2/26/88; Secretary of Commerce Decision and Findings, May 19, 1989.

CC-64-87 (AND E-1-88) EXXON, DPP, SYU PROJECT EXXON SANTA YNEZ UNIT, STATE WATERS & ONSHORE FACILITIES FILE DATE: 12/21/87. MMS

I. Summary

concurred Exxon's consistency certification The Commission with development of onshore oil and gas treatment and storage facilities in Las Flores Canyon and a consolidated marine terminal to be located in state waters at El Capitan, 20 miles west of Santa Barbara in the western Santa Barbara The Commission also approved with conditions a coastal development permit for the marine terminal and pipelines. These components were proposed to serve production from the Santa Ynez Unit, a 19-tract consolidated unit which included one existing platform, Hondo A, and three new platforms, Heather, Heritage and Harmony, which had previously received concurrence from the Commission (CC-7-83) but which had not yet been installed. The onshore facilities and marine terminal were a slightly modified version of what had previously received Commission concurrence (CC-7-83R), with the terminal relocated further from shore than previously proposed in order to avoid potential conflict with development of adjacent oil leases, to reduce adverse impacts on scenic resources and recreational use of nearby State Beach Parks, and to reduce onshore air pollution impacts. The project as reviewed by the Commission already included conditions imposed by Santa Barbara County in its permit for the onshore portion, special provisions included in the State Lands Commission lease for the portions of the project in state waters. and conditions imposed by the Santa Barbara County Air Pollution Control District (APCD) in its Final Authority to Construct.

Factors in the Commission's decision to concur with the consistency certification were Exxon's commitment to use onshore pipelines to the maximum extent feasible to transport the produced crude, and a high degree of consolidation achieved through Exxon's planning efforts and through permit conditions, imposed by the Commission, Santa Barbara County and the State Lands Commission, which (1) require Exxon to allow other companies to use the onshore facilities and marine terminal on a non-discriminatory and equitable basis, even to the extent that Exxon may, under certain circumstances, have to cut back its own use of the facilities; (2) require removal of the OS&T; and (3) stipulate that the marine terminal is to be built only in conjunction with a phase-out of the Gaviota interim marine terminal located nearby, so that only one marine terminal is operational at any time on the southern coast of Santa Barbara County.

The Commission determined that although the marine terminal was inconsistent with a number of specific policies of the Coastal Act due to unavoidable risks and adverse impacts to coastal resources, the risks and impacts had been mitigated to the maximum extent feasible and, as conditioned, the marine terminal could be found consistent with the Coastal Act under the override provision of Section 30260. The Commission therefore concurred with the consistency certification and approved a permit for the marine terminal with conditions providing additional protection for coastal resources.

The Commission also found that the onshore portions of the project were inconsistent with a number of specific resource policies of the Coastal Act, but provided for maximum feasible consolidation. The Commission found that the Las Flores Canyon site was, however, the least environmentally damaging

location for the facilities. The Commission also found that the proposed project provided for consolidation and impact reduction to the maximum extent feasible. Given these circumstances, the Commission determined that the conflicts between Coastal Act policies had been resolved in the manner most protective of coastal resources, and, applying Section 30007.5, concurred with Exxon's consistency certification for the onshore facilities.

II. Compendium

Project Description

Exxon proposed expansion of oil and gas processing and transportation facilities for the Santa Ynez Unit, to be located onshore within Las Flores and Corral Canyons and offshore within State waters on state lease PRC 2991, 2198 and 2155 between El Capitan and Refugio in Santa Barbara County, about 20 miles west of the city of Santa Barbara. Three platforms and associated pipelines in the OCS had already received concurrence from the Commission during a previous consistency review in 1983 (see CC-7-83) and were not part Onshore components reviewed under this consistency certification included: the installation of a 140,000 barrel per day (BPD) oil processing facility; expansion of existing gas processing facilities to 60 million standard cubic feet per day (MSCFD); a 21 MSCFD gas stripping facility to sweeten gas for use in the SYU development; natural gas liquid/liquid petroleum gas (NGL/LPG) storage and transportation terminal facilities; 540,000 barrel crude oil storage tanks; a 49 megawatt cogeneration power plant; oil and gas pipelines and power cables; and associated utility systems. Offshore components reviewed for consistency certification and for the issuance of a coastal development permits included: a consolidated marine terminal with a single anchor leg mooring to be located 11,250 feet offshore on state lease PRC 2991; pipelines from the SALM to onshore facilities; and oil and produced water pipelines and power cables from offshore platforms to onshore facilities. Pipelines and cables were to be located on state leases PRC 2991, 2198 and 2155. An existing Offshore Storage and Treatment (OS&T) vessel and an existing multi-buoy marine terminal at El Capitan were to be decommissioned and removed following startup of onshore facilities. National Pollution Discharge and Elimination System (NPDES) permit for discharges was to be reviewed by the Commission in a subsequent consistency certification if, by the time discharges were to commence, the discharges were not already covered under a new General NPDES permit.

The project under review in this submittal was essentially the same as had been withdrawn from consideration during the Commission's review of CC-7-83 and which had previously been reviewed by the Commission as CC-7-83R, except for the following changes:

- the marine terminal and associated pipelines were relocated further from shore to minimize interference with exploration and development of adjacent state lease areas, to reduce onshore air pollution impacts, and to reduce adverse impacts on scenic resources and recreational use of nearby State Beach Parks;
- the size of the gas treatment facilities was reduced, with excess gas to be reinjected;

- crude oil storage capacity was reduced from 650,000 to 540,000 barrels;
- the capacity of the cogeneration plant was increased from 25 megawatts to 49 megawatts to accommodate future expansion in a consolidated fashion;
- the gas stripping facilities were expanded; the NGL/LPG facilities were relocated; and
- additional grading at the onshore site was proposed to provide greater stability of slopes and fill areas.

Prior to Commission action, Exxon received the following County and State approvals: (a) a coastal development permit with conditions was issued by the County of Santa Barbara on September 15, 1987 pursuant to its LCP; (b) the Santa Barbara County Air Pollution Control District granted Exxon a final authority to construct with conditions on November 19, 1987; (c) the State Lands Commission granted a lease with conditions for the proposed marine terminal and pipelines through state waters on January 21, 1988.

Both the onshore and offshore components were before the Commission for consistency review, and the project as submitted included the conditions imposed by the County and APCD. A coastal development permit from the Commission was required for the offshore portions of the project, i.e., those components in state waters. The consistency certification was submitted prior to State Lands Commission action, while the filing date for the permit application occurred after action by the State Lands Commission; however, the permit application and consistency certification were reviewed simultaneously by the Commission.

Commission Action and Date

Approval of the coastal development permit with conditions for the portions of the project in state waters, and concurrence with the consistency certification for the onshore and offshore facilities, February 23, 1988.

- 3. <u>Issues Involving Conditions Imposed by Santa Barbara County, the State</u> Lands Commission, and/or the Coastal Commission
 - A. Transportation of Crude Oil.

Conditions Imposed by Santa Barbara County

- (1) Pipeline transportation of SYU crude oil in conformance with Santa Barbara County LCP policies which allow tankering only in emergency or if a pipeline to a particular market destination is unavailable or use is infeasible:
- (2) Discontinuance of use of the OS&T within 30 days of onshore facilities start-up.

Special Provisions Included in the State Lands Commission Lease:

(1) Use of pipeline to the extent feasible, with biennial reports justifying any anticipated use of the marine terminal.

Basis: Sections 30265(d), 30232, 30230, 30231, and 30253 address various coastal resource issues and aspects of operations, including marine resources, air quality and consolidation. Sections 30261 and 30262 address multi-company use of marine terminals and consolidation of oil and gas facilities. As it had found in previous reviews of POE and DPP consistency certifications, the Commission found that existing oil spill containment and cleanup equipment was not effective at protecting the coastline and coastal resources from large oil While the County's condition would assure pipeline transportation where feasible, some tankering would also occur during emergencies and during periods when there was a lack of available pipelines or pipeline capacity to some market destinations, creating a risk of large and damaging oil spills from tankering activities. Given this risk and the limited effectiveness of containment and cleanup equipment, the Commission determined that the project was not consistent with Sections 30230, 30231, and 30232. Noting the reduction in risk of catastrophic oil spill due to the County's conditions regarding use of the marine terminal, and the reduction in spill risks achieved through consolidation of terminal facilities, the Commission determined that adverse risks and impacts related to the transportation of the SYU crude were mitigated to the maximum extent feasible, and that the project was therefore consistent with the override provision of Section 30260 with regard to crude oil transportation. The Commission also determined that Exxon's commitment to allow other users open and non-discriminatory access to the terminal on reasonable terms and conditions constituted maximum feasible consolidation, and that the project was therefore consistent with the consolidation requirements of Sections 30261 and 30262.

B. Containment and Clean-up of Oil Spills

Mitigation In Project As Submitted:

- (1) An oil spill response vessel at the marine terminal with the following equipment:
- (a) 1500 feet of open ocean containment boom;(b) an oil skimmer;(c) adequate oil storage capacity; and(d) oil sorbent material;
- (2) A commitment to have a Clean Seas vessel on site within 2 to 2-1/2 hours;
- (3) Containment basins for the onshore facilities equal in volume to 110% of the volume of the largest oil storage tank;
- (4) Oil containment gate in Corral Canyon to contain oil in the event that a spill gets out of the containment system;
- (5) Automatic valves which close both ends of the pipeline in the event of a loss of pressure due to a system leak.

Conditions Imposed by Santa Barbara County:

 Submission of onshore and offshore oil spill prevention, control and countermeasure plans for County review and approval, to include, among other things, low-impact clean-up strategies for riparian and in-stream habitats;

- (2) Demonstration of oil spill response capability during a maximum of two surprise oil drills per year;
- (3) Fully equipped oil spill response vessel on stand-by at the terminal during loading operations.

Special Provisions of the State Lands Commission (SLC) Lease:

- (1) Submission of an oil spill contingency plan for review and approval by SLC;
 - (2) Oil spill response equipment:
- (a) 1500 feet of open-ocean containment boom; (b) open ocean skimming device; (c) 15 barrels of oil sorbent material; and (d) a boat capable of deployment on site or within 15 minutes of the terminal:
- (3) Equipment updates, reviewed by SLC staff, to keep up with technological advances;
 - (4) Training program for oil spill response teams:
 - (5) Participation in regional oil spill cooperative;
 - (6) Notice of spills to the SLC, and follow-up written report;
- (7) Participation in oil industry liability insurance arrangements known as TOVALOP and CRISTAL;
- (8) Contribution of \$1,038,000 for expansion of a real-time ocean current and weather monitoring system to aid in clean-up efforts, or reimbursement of up to \$804,000 for studies on the environmental and other impacts of OCS development, with an additional \$634,000 for the monitoring program if the marine terminal is constructed.

Conditions Imposed by the Coastal Commission:

- Submission of a site specific oil spill contingency plan for approval by the Commission's Executive Director;
- (2) Unannounced oil spill containment and cleanup drills with follow-up meetings between Commission staff and Exxon representatives to identify and correct problems:
- (3) Notification of the Commission's Executive Director within 24 hours of any oil spill larger than five barrels;
- (4) Annual review of oil spill response equipment and procedures by the Executive Director and implementation of any changes found necessary to keep up with the state-of-the-art in oil spill response;
- (5) Participation in a joint industry/government study group to evaluate the adequacy of existing oil spill response equipment and procedures within the sea otter range, and proportional funding for additional equipment and support to reduce the total risk of spills in the sea otter range.

Basis: Sections 30230, 30231, 30232, 30250, 30261, and 30260 address various coastal resource issues and aspects of operations, including marine resources, oil spills, air quality, and cumulative impacts. The Commission found that pipelines would provide the most environmentally protective method of oil transportation, and that operation of the marine terminal would increase the risk of oil spills due to increased tanker traffic and associated risk of collision. As it had found in previous reviews of POE and DPP consistency certifications, the Commission determined that even the best equipment available was not effective at containing and cleaning up oil spills, particularly in open ocean conditions, and therefore found the project inconsistent with Sections 30230, 30231, and 30232, and, when considered cumulatively with other projects, with Section 30250. The Commission found, however, that the equipment and conditions noted above provided maximum feasible mitigation, and therefore found the offshore facilities consistent with Sections 30261 and 30260(3).

Because it determined that the onshore facilities were not coastal-dependent. the Commission found that Section 30260 was not applicable. The Commission stated that it had difficulty finding the onshore portions of the project consistent with Section 30232, since oil spill events might occur which The Commission had determined. exceeded all conceivable preparations. however, in consultation with Santa Barbara County and after review of alternatives, that the Las Flores Canyon site was the least environmentally damaging location for the facilities when considering vessel traffic conflicts with development of adjacent tracts, visual impacts, noise, lighting, and air quality. (See vessel traffic safety section.) The Commission also found that the proposed project provided for consolidation and impact reduction to the maximum extent feasible. Given these circumstances, the Commission determined that the conflicts between Coastal Act policies had been resolved in the manner most protective of coastal resources, and, applying Section 30007.5, found the onshore facilities consistent with the Coastal Act.

C. Marine Resources

Mitigation In Project As Submitted:

- Pipelines were to be pulled through the trench and kelp beds with a lay barge whose anchors and anchor lines were to be located completely outside of the kelp beds;
- (2) Use of explosives for blasting allowed only from September 15 to March 1 to reduce impacts on lobsters which migrate closer to shore during that time. (Department of Fish and Game condition on permit to use explosives)

<u>Mitigation Measures Imposed as Conditions or Special Provisions by Santa Barbara County (County), the State Lands Commission (SLC) or the Coastal Commission (CCC):</u>

- (1) Use of two 150-foot wide vessel traffic corridors through the kelp beds during construction to minimize damage; (County, SLC)
- (2) Preparation and implementation of a Marine Construction Mitigation Plan (County, SLC, CCC), to include:

- (a) A blasting plan, including methods to reduce blasting impacts, use of an observer and suspension of blasting when cetaceans (whales, dolphins, etc.) are within two miles of the blasting zone; (SLC, CCC)
- (b) Preparation of a surfgrass restoration report evaluating the success of any previous surfgrass restoration projects; implementation plans for methods identified as successful; if no successful methods are identified, funding for an independent study, reviewed and approved by the Commission's Executive Director, to develop, implement and monitor a surfgrass protection and restoration program; (CCC)
- (c) An anchoring plan mapping anchor placements and describing ways of minimizing the number of anchor settings and methods of placing, setting and retrieving anchors to avoid hard bottom habitats and minimize disturbance to kelp beds and the sea floor; (SLC, CCC)
- (d) Pre- and post-construction kelp surveys and restoration plan, with survey methods subject to the review and approval of the Executive Director of the Coastal Commission; (County, SLC, CCC)
- (e) Discussion of methods for minimizing turbidity, with feasible measures to be incorporated into construction methodology; (County, SLC, CCC)
- (f) Measures to reduce construction impacts to migrating gray whales, including deployment of acoustical "pingers" or sonar reflectors on inactive equipment; (SLC, CCC)
- (g) Daily aerial surveys of gray whale migration in the vicinity of the project; (SLC)
- (3) Preparation and, following review and approval by the Coastal Commission's Executive Director, implementation of a plan to mitigate to the maximum extent feasible any disturbance to gray whales or their migration routes caused by tanker traffic associated with the marine terminal; (CCC)
 - (4) Funding for wildlife cleaning and rehabilitation centers; (CCC)
- (5) Prohibition on blasting when rare or endangered seabirds or mammals or any cetaceans are in the vicinity; (County, SLC)
- (6) Use of segregated ballast tanks or, with prior approval by the Commission's Executive Director, alternative methods to prevent discharge of fouled ballast water. (County, SLC, CCC)
- (7) Routing of tankers using the marine terminal so as to keep 25-35 miles offshore while in the sea otter range, to be implemented through written agreements between terminal users and Exxon; (CCC)
- (8) Limitation of oil throughput of the marine terminal to 100,000 barrels per day unless a new Endangered Species Act consultation with the Fish and Wildlife Service demonstrates that the facility can operate safely at a higher level, and the higher level receives Commission approval as an amendment to the permit; (at the time of review, the available F&W consultation was based on an expected throughput of 100,000 BPD); (CCC)

- (9) Preparation of a report discussing options for disposal of produced waters; (County)
 - (10) Monitoring of produced water effluent dilutions. (County)

Basis: Sections 30230, 30231 and 30240 address marine resources, water quality, biological productivity, and species and habitats of biological significance: Section 30250 addresses cumulative impacts. Section 30261 addresses onshore deballasting facilities. The project would pose risks and impacts to: unique and valuable surfgrass beds; kelp beds; rare low-relief rocky features: numerous coastal lagoons and marshes which serve as habitat or nursery grounds for commercial and non-commercial species; and a number of endangered and threatened species, including the southern sea otter, the brown pelican and the gray whale. Trenching, dredging and blasting for construction of the pipelines would disturb nearshore communities, including rocky intertidal areas with particularly important surfgrass beds which are not Anchor lines would cause substantial damage to kelp beds, easily replaced. and suspended sediments could negatively impact kelp recruitment. scarring from a minimum of 432 anchor placements would adversely affect soft-bottom habitat and the bottom-sweep of anchor cables would adversely affect hard bottom habitats. Pipeline construction could impact gray whale migration routes. Increased risk of oil spills, with subsequent adverse impacts to seabirds, otters and other marine species, would affect an area along the coastline from Los Angeles to San Francisco due to increased tanker traffic associated with the marine terminal. The conditions noted above would reduce impacts, but the Commission found that the impacts remaining from construction and operation of the project, including cumulative impacts. rendered the project inconsistent with Sections 30230, 30231, 30240 and With the condition requiring the use of segregated ballast tanks (or Commission-approved alternatives), the Commission found the project consistent with Section 30261. The Commission found that maximum feasible consolidation had been achieved, rendering the project consistent with Section 30261. the consolidation and the mitigation achieved through permit conditions, the Commission found that the project impacts to marine resources were mitigated to the maximum extent feasible, and that the project was therefore consistent with Section 30260(3).

Exxon requested that the Commission consider the discharge aspects of the project separately from the overall project and after a draft individual or general National Pollution Discharge and Elimination System (NPDES) permit has been issued by the Environmental Protection Agency (EPA). The Commission's findings point out that Exxon cannot discharge drilling fluids until it has received concurrence from the Commission with a consistency certification for the NPDES permit. The Commission also made it clear that modifications to the project might be necessary in order to comply with NPDES permits that are consistent with the CCMP, and that any such modifications would be Exxon's responsibility. The Commission noted that Exxon would have to address the alternative of partial or complete reinjection of produced water, as addressed under Section 30262(d), as part of the NPDES permit and consistency process.

D. Commercial Fishing

Conditions Imposed by Santa Barbara County:

- (1) Notice to fishermen at least 15 days before commencing construction activities;
 - (2) Participation in the Local Fishermen's Contingency Fund;
- (3) A plan to minimize impacts to commercial fishing activities from moored boats;
- (4) The removal of construction-related mooring buoys and equipment lost overboard;
 - (5) Use of pipeline designs which would not snag or damage trawling gear;
 - (6) A fisheries training program for all support boat operators;
- (7) A contribution of \$133,900 per year for the 3-year construction period to the County's Fisheries Enhancement Fund;
- (8) Use of defined vessel corridors in compliance with the Santa Barbara Channel Support Vessel Corridor Program;
- (9) Additional mitigation measures deemed necessary by the County which could be added in the future if the marine terminal was constructed.

Conditions Imposed by the State Lands Commission:

- (1) Payment of \$6,000 per year to the California Fisheries Development Corporation for fisheries enhancement projects in the Santa Barbara Channel;
 - (2) Contribution to the Santa Barbara County Fishermen's Contingency Fund:
 - (3) Submittal of a construction impact mitigation plan which includes:
 - (a) pre- and post-construction marine biology surveys;
- (b) separate kelp bed and surf grass surveys 2 years following completion of construction;
- (c) minimized construction time, seafloor disturbances, blasting, anchor scars, intrusion into kelp beds and surf grass areas, and turbidity;
- (d) provisions for restoration of damaged kelp beds and surf grass areas;
 - (e) established vessel corridors;
- (f) limits on the nearshore construction period to between November 1 and March 31 to minimize impacts on lobster populations, air quality, and recreation at nearby state beaches;

- (g) provisions for future mitigation requirements depending on the survey results;
 - (4) Notice to fishermen of all seafloor modifications created;
- (5) Removal of construction equipment, anchors and buoys within three months of the completion of construction;
- (6) Re-establishment of kelp and surf grass in disturbed areas, with payment of \$15,000 to the County's Fisheries Enhancement Fund for each acre of kelp and surf grass remaining disturbed two years after completion of construction:
- (7) Annual contribution for up to five years to the California Fisheries Development Corporation for fisheries enhancement, the amount to be calculated using a specific formula related to the aerial extent of disturbance identified in pre- and post- construction surveys;
- (8) Implementation of a support vessel and tanker operator training program to assist operators in recognizing and avoiding commercial fishing activities.

Conditions Imposed by the Coastal Commission:

(1) Consultation with fishermen to avoid peak fishing seasons to the extent feasible.

Basis: Sections 30230, 30231, 30234, 30255 and 30703 address commercial Section 30250 addresses cumulative impacts. The above conditions would help reduce or mitigate adverse impacts to commercial fishing, but the Commission found that commercial fishing would still be adversely affected by preclusion of fishing opportunities in productive fishing areas. Nearshore commercial fisheries would be disturbed or displaced by construction activities and support boat traffic. Previous oil and gas activity and debris had already excluded large areas in the Las Flores vicinity from trawling and drift gillnetting, and tanker traffic to the marine terminal was expected to create further impacts. Fisheries would also be adversely affected by pipelines, wastewater discharges from the onshore processing facilities, and potential oil spills. The Commission found the project inconsistent with Sections 30230, 30231, 30234, 30250, and 30255 due to adverse individual and cumulative impacts on commercial fishing. The Commission noted that the revised location for the terminal at 11,250 feet from shore would affect a more productive area and would therefore result in greater impact on commercial fisheries than the previously proposed location at 5000 feet from shore. However, the revised location was environmentally preferable on the grounds of air quality, visual and safety issues. The Commission found that with the above conditions, impacts of the project on commercial fisheries were mitigated to the maximum extent feasible, and that the project was therefore consistent with Section 30260.

Department of Fish and Game Fish Blocks: 655, 656, 657.

E. Vessel Traffic and System Safety

Conditions Imposed by Santa Barbara County:

- Pipeline transportation of SYU crude oil in conformance with Santa Barbara County LCP policies which allow tankering only in emergency or if a pipeline to a particular market destination is unavailable or use is infeasible;
- (2) Review of all design and construction documents and operational procedure documents for hazard identification, risk assessment, and mitigation of design hazards, by a System Safety and Reliability Review Committee, prior to construction of each project element as part of a comprehensive Risk Management Program;
- (3) 5-year safety system audits by the SS&RR Committee to update safety equipment and procedures;
- (4) A site-specific emergency response plan subject to approval by the County prior to operation of the marine terminal;
- (5) Provision of pro-rata share of funds for a County Emergency Response Plan for oil and gas related emergencies;
- (6) Prior to start-up, submission to the County for review and approval of onshore and offshore oil spill prevention, control and countermeasure plans, hazardous waste plans, safety inspection and maintenance programs and toxic substance control plans for the operational phase;
- (7) Prior to approval of the Final Development Plan, submission to the County for review and approval of a Site Security Plan and a Fire Control Plan;
- (8) Panel review to investigate the need for a vessel with fire fighting capabilities at Las Flores Canyon;
- (9) Provision of or pro-rata funding for a full-time fire inspector for oil and gas projects in the area;
 - (10) Installation of lights, marker buoys, etc., as navigational aids;
- (11) Provision of a site-specific weather surveillance and forecasting system to assist vessel masters with weather-related decisions;
 - (12) Navigation equipment requirements for vessels calling at the terminal;
- (13) Requirement of an English-speaking person on the bridge of all vessels calling at the terminal;
- (14) Command of tankers during maneuvering and loading by a tanker master trained by a County-approved program;
- (15) Restrictions on the use of trucks to transport liquified petroleum gases and natural gas liquids (NGL/LPG);

- (16) Conformance with existing County policies regarding transport of NGL/LPG, i.e., retention or blending of maximum feasible volumes of NGLs within processed crude, and use of a regional NGL/LPG transmission facility;
- (17) If a regional NGL/LPG transmission facility (dedicated pipeline or rail loading) does not exist, participation in a study to determine relative risks associated with truck and rail transport, and initiation or participation in creating such a facility.

Conditions Imposed by the State Lands Commission:

- (1) An assist vessel of at least 1200 horse power, capable of steering or holding a disabled tanker, to be deployed at the marine terminal as soon as an approaching tanker departs the vessel traffic corridors en route to the marine terminal and to remain on location for the duration of tanker loading;
- (2) A mooring master onboard all tankers calling at the marine terminal, trained in a program approved by the State Lands Commission, with refresher courses every five years;
- (3) Submission to the SLC and the Coast Guard for review and approval an operations manual for the marine terminal, to include a discussion of conditions under which operations would be suspended;
- (4) Annual side-scan sonar surveys of pipelines to check for bridging or other hazard to the pipelines;
- (5) Termination of lease, relocation of terminal, payment of compensation or other resolution if terminal operations would preclude exploration or development of adjacent tracts or would pose and unacceptable and unmitigable safety risk due to incompatibility of terminal operations with such exploration or development;
 - (6) Annual internal inspection of emulsion pipeline through state waters.

Conditions Imposed by the Coastal Commission:

- (1) Technical review of the operations and quality control of the vapor recovery system (crucial to system safety), with mandatory implementation of any changes recommended by the review group (consisting of representatives from Exxon, the Coast Guard, the California Maritime Academy, the Santa Barbara County Fire Department, and the Coastal Commission);
- (2) Submission of the review report required under County conditions regarding the need for a fire fighting vessel at the marine terminal, and provision of such a vessel if deemed necessary by the Executive Director in consultation with the State Lands Commission, the Santa Barbara County Fire Department, Exxon and the Coast Guard;
- (3) Submission to the Executive Director for review and approval of a Risk Management Program for the marine terminal, and implementation of approved plan;
- (4) Submission of a marine terminal operations manual to the Executive Director for review and approval prior to operation, including specific

operational conditions during which the marine terminal would suspend operations; and implementation of the manual;

(5) Submission of design plans, including profiles, for pipeline installation through the beach zone (to be reviewed and approved by the Executive Director two months prior to pipeline construction) to assure pipeline stability in the beach area.

<u>Basis</u>: Sections 30230, 30231, and 30232 address marine resources and oil spills; Section 30250 addresses cumulative impacts; Section 30261(a) addresses new marine terminals, including issues of vessel safety. The marine terminal was relocated, in part to reduce potential conflict with exploration and development of oil and gas reserves underlying adjacent state lands and also to reduce visual, noise, lighting, and air quality impacts. However, even with the relocation and the conditions above, vessel traffic associated with operation of the marine terminal could still result in an accidental oil spill with attendant impacts to coastal resources, so the Commission found the project was inconsistent with Sections 30230, 30231, 30232 and 30250. The Commission found that risks and impacts had been mitigated to the maximum extent feasible, however, rendering the project consistent with Sections 30260(3) and 30261(a).

Commission determined that the onshore facilities were coastal-dependent and therefore were not eligible for the override provision of Section 30260. The Commission found that oil spill, fire and explosion risks were reduced to the maximum extent feasible for the onshore facilities, but that accidents and upset conditions with significant consequences to coastal zone resources raised concern under the marine resource and oil spill policies of the Coastal Act. The Commission had determined, however, in consultation with Santa Barbara County and after review of alternatives, that the Las Flores Canyon site was the least environmentally damaging location for the facilities. The Commission also found that the proposed project provided for consolidation and impact reduction to the maximum extent feasible. Given these circumstances, the Commission determined that the conflicts between Coastal Act policies had been resolved in the manner most protective of coastal resources, and, applying Section 30007.5, found the onshore facilities consistent with the Coastal Act.

F. Geologic Hazards

Mitigation In Project As Submitted:

- (1) Slope stabilization plan for onshore facilities;
- (2) Instrumentation to measure ground water levels, deformations of fill, and deflection of retaining walls and structures.

Conditions Imposed by Santa Barbara County:

(1) Demonstration of mitigation of geologic hazards to the satisfaction of the County prior to construction of pipelines.

<u>Basis</u>: Section 30253 addresses geologic hazard. The Commission found that all potential geologic hazards were identified and properly mitigated through

conditions including avoidance or engineering design, and that the project was therefore consistent with Section 30253.

G. Air Quality

Mitigation In Project As Submitted:

The project as submitted included plans for pipeline transportation from offshore platforms to onshore facilities, and electrical generation was to be provided by a centralized cogeneration plant. In addition, the use of large diameter pipelines would minimize pumping and compression horsepower required, thereby reducing emissions, and worker participation in car and van pools would be encouraged. These project features would result in some reduction in air pollution emissions. Further reductions and offsetting of residual emissions were achieved through permit conditions described below.

Conditions Imposed by Santa Barbara County:

- (1) All mitigation measures specified in the Memorandum of Agreement signed between Exxon, the State Air Resources Board (ARB), and the Santa Barbara Air Pollution Control District (APCD) (dated October 8, 1982, and known as MOA-II) would be required as a condition. These included:
- (a) Use of water or steam injection to reduce NOx (oxides of nitrogen, an ozone precursor) emissions at the cogeneration plant;
- (b) Implementation of an innovative equipment demonstration program on one of the turbines of the cogeneration plant to further the state of the art in NOx control;
- (c) Use of sweetened natural gas as fuel for the cogeneration facility to reduce SOx emissions;
- (d) Recovery of waste heat from the cogeneration plant to supply process heat for oil and gas processing facilities, thus eliminating the need for separately fired heaters;
- (e) Use of a vapor recovery system and implementation of a comprehensive maintenance program to reduce hydrocarbon emissions from the oil processing and storage facilities in Las Flores Canyon;
 - (f) Use of sulfur recovery equipment for the gas treatment facilities;
- (g) A gas blanketing and vapor recovery system, use of tandem mechanical seals and a comprehensive maintenance program on the oil and gas treatment and storage facilities to minimize fugitive hydrocarbon emissions;
 - (h) Use of low NOx burners on all new process heaters;
- (i) Venting of all safety relief valves into a closed flare header system equipped with a scrubber and designed for smokeless operation;
- (j) A vapor control system to eliminate hydrocarbon emissions from tanker loadings at the marine terminal;

- (k) Removing the OS&T when onshore processing facilities and the new marine terminal are operational;
- (1) Use of low sulfur fuel oil (0.7% sulfur) on tankers while "in the vicinity" of the marine terminal, with the fuel switch to occur as soon as practicable after the vessel leaves the VTSS traffic lanes;
- (m) A \$25,000 contribution to fund a data acquisition system for the Santa Barbara County APCD;
- (n) Use of innovative NOx control technology on crew and supply boats and scheduling of trips to minimize total number of vessel movements;
- (2) Submission to the County of an air quality management plan demonstrating that future consolidation in Las Flores and Corral Canyons would not be precluded by conflicts with air quality standards;
- (3) All NOx and HC emissions to be fully mitigated, with total offsets for operations equal to or greater than entire source emissions, including OCS sources:
 - (4) Submission of an air quality mitigation plan which includes:
 - (a) Phased construction:
- (b) Scheduling to avoid peak construction emissions during the ozone season:
 - (c) Minimized use of diesel construction equipment activity;
 - (d) Use of low-NOx construction equipment;
- (e) Funding for a program to test the feasibility and/or effectiveness of emission reduction measures for mobile sources (such as construction equipment);
 - (f) Curtailment plan in the event of air quality violations;
- (5) Installation of air quality monitoring equipment with readout at the APCD office;
 - (6) Use of specific low-emission tankers;
- (7) Prohibition on operation of two tankers simultaneously within APCD jurisdiction;
- (8) Use of 0.25% or lower sulfur fuel in tankers inside of the vessel traffic separation corridors;
- (9) Achievement of NOx reduction on crew and supply boats so that emissions are no greater than 9.0g NOx per horse-power hour at full power;
 - (10) Use of helicopters to the extent feasible, instead of crewboats;

- (11) Regular testing and inspection of the vapor control system of the marine terminal to assure the claimed efficiency level of 99.8% hydrocarbon reduction:
- (12) Provision of information to the County to confirm compliance with permit conditions and with emission assumptions of the environmental impact assessments.

On November 19, 1987, the Santa Barbara County APCD issued a Final Authority To Construct (permit No. 5651), which included the following conditions, some of which were provided to achieve BACT (best available control technology) requirements. These included:

- (1) For the cogeneration facility:
- (a) use of pipeline quality gas;
 (b) proper combustor operation;
 (c) steam injection and selective catalytic reduction (SCR) on the turbine;
 and (d) low NOx burner design plus SCR on the duct burner.
 - (2) For the stripping gas treating plant:
- (a) a sulfur recovery unit to recover 99.9% of sulfur in the gas;(b) a tail gas treater in the recovery unit.
 - (3) For the marine terminal:
- (a) a tandem vapor control system;
 (b) use of pipeline quality fuel
 in the onshore vapor incinerator;
 and (c) an inspection and maintenance
 program approved by the APCD, to reduce fugitive emissions;
 - (4) For crew and supply boats:
- (a) turbo charging and intercooling engines; and (b) ignition timing retard or equivalent.
- (5) Monitor air quality during onshore and nearshore construction, with curtailment of activities if the levels exceed 90% of the NOx air quality standard;
- (6) Participate in a background particulate concentration, reduction and mitigation study, with implementation of control measures identified as feasible in the study;
- (7) Offset all remaining onshore and nearshore construction emissions on a 1 to 1 basis and all operation emissions on at least a 1.2 to 1 basis in accordance with the District's New Source Review rules and Air Quality Attainment Plan requirements:
- (8) Monitor air quality, test emission sources and continuously monitor emissions.
- <u>Basis</u>: Section 30253 addresses air quality. Ventura and Santa Barbara Counties were both non-attainment areas for ozone and would be affected by NOx emissions (a precursor to ozone) generated by the project facilities. The

project received the Final Authority To Construct from the Santa Barbara County APCD, and the Commission found that, as conditioned, the project was consistent with Sections 30253 and 30250(a).

H. Habitat and Land Resources

Mitigation In Project As Submitted:

- (1) Hydromulching (hydroseeding) to repair grading damage and prevent surface erosion:
- (2) Trees and shrubs replanted after pipeline construction to replace habitat removed;
 - (3) All disturbed areas to be planted with native California vegetation:
- (4) Use of a temporary creek bypass to reduce flooding and erosion of construction area, with stream flow characteristics maintained by using large diameter pipes in the bypass and in culverts under roads, thus minimizing impacts on fish movement and allowing animal passage through the culverts;
- (5) Use of temporary ditches, berms, and retention basins to control storm-water runoff.

Conditions Imposed by Santa Barbara County:

- (1) Landscaping Plan, Grading Plan and Erosion Control Plan;
- (2) Maximum avoidance of riparian habitat areas, restorațion of riparian habitat areas on a two-to-one ratio:
- (3) Pre- and post-construction vegetation surveys, with additional mitigation measures, if necessary, by the County's Resource Management Department based on results of the surveys;
 - (4) Replacement of all trees removed;
 - (5) Trenching of riparian habitat for pipeline during the dry season only;
- (6) Use of culverts which provide for fish and wildlife movements along the creek;
- (7) Establishment of a buffer zone around Corral Creek to protect riparian vegetation, biological productivity and water quality during construction;
- (8) Fencing and/or marking Environmentally Sensitive Habitat Areas during construction to prevent disturbance;
 - (9) Maximum avoidance of trees when designating pipeline right-of-way;
 - (10) Use of water-conserving fixtures to the maximum extent feasible;
- (11) Development of a groundwater management plan, including remedial actions by Exxon should safe yield be exceeded;

- (12) Development of a surface water quality management program;
- (13) Provision of water to impacted water districts through approved programs, such as contributing to local water development projects within the County for that proportion of water necessary to support the growth attributed to the project;
- (14) Additional future mitigation of groundwater impacts if deemed necessary by the County.

Basis: Section 30231 addresses coastal waters, including streams; Section alterations; and addresses stream Section 30240 environmentally sensitive habitat areas. The onshore facilities would have adverse impacts on environmentally sensitive habitat areas (including riparian woodlands), surface water and ground water in the coastal zone. Additional grading was proposed beyond what was considered in the Commission's previous review in order to ensure soil stability above the facility pads, and the total construction period was increased. The increased power capacity of the cogeneration plant would require additional groundwater use, and although this was not expected to exceed the safe yield from the aquifer, it might indirectly affect stream flow levels. The Commission found it was difficult to find the project consistent with Sections 30231, 30236 and 30240 because some adverse impacts could not be mitigated to a level of insignificance, including wildlife habitat loss and/or degradation. loss of native vegetation and potential impacts of a major onshore oil spill or fire.

The Commission had determined, however, in consultation with Santa Barbara County and after review of alternatives, that the Las Flores Canyon site was the least environmentally damaging location for the facilities when considering vessel traffic conflicts with development of adjacent tracts, visual impacts, noise, lighting, and air quality. The Commission also found that the proposed project provided for consolidation and impact reduction to the maximum extent feasible. Given these circumstances, the Commission determined that the conflicts between Coastal Act policies had been resolved in the manner most protective of coastal resources, and, applying Section 30007.5, found the onshore facilities consistent with the Coastal Act.

I. Public Access and Recreation

Conditions Imposed by Santa Barbara County:

- (1) Exxon to contribute funds to the California Department of Parks and Recreation for development of 20 new campsites at the nearby State Parks:
- (2) Exxon to contribute up to \$327,000 annually, to be determined in a public hearing before the Santa Barbara County Board of Supervisors, to the Coastal Resources Enhancement Fund (CREF) to offset adverse impacts to aesthetics, tourism and recreation;
- (3) Provision of adequate vertical shoreline access during construction of the pipeline across the beach, and maintenance of such access for five years;
- (4) Funding to reconstruct a deteriorating bike pathway between the two State Beach Parks:

- (5) Avoidance of peak recreational periods for pipeline construction in nearshore and beach areas; grading in the State Parks only during winter months;
- (6) Mitigation of any project-induced displacement of recreational boating space in Santa Barbara Harbor;
- (7) No use of recreational piers except during emergencies; payment of landing fees to mitigate impacts to recreation if and when such emergency use is required;
- (8) Payment of a traffic impact mitigation fee to the County Department of Transportation based on the anticipated peak number of project trips;
 - (9) Funding of any road improvements necessary to accommodate the project;
- (10) Submission of a Traffic Impact Mitigation Plan to the County Department of Public Works, with such plan to consider staggered work shifts, truck traffic avoidance of peak congestion periods, and incentives for car and van pools;
- (11) Preparation and implementation of a comprehensive noise control program, including installation of noise monitoring equipment, aimed at assuring maximum noise levels of 65 dBa (decibels) during daytime hours and 50 dBa at night.

Conditions Imposed by the State Lands Commission:

(1) Avoidance of beach and nearshore construction during peak recreational periods.

Basis: Sections 30210, 30211, 30212 and 30252 address public access; Section 30213 addresses lower cost visitor and recreational facilities; Section 30240(b) addresses development near parks and recreation areas; and Section 30250 addresses cumulative impacts. Construction of the pipelines through the sandy beach and across the State Park coastal bike trail would impede lateral access to the shoreline and adversely impact public recreation at two heavily used State and County Beach parks during a 2-3 month construction period. The presence of tankers loading and unloading at the nearshore marine terminal and the noise of crew and supply boats, helicopters and truck traffic would degrade the recreational experience of the parks. Population growth caused by this and other projects would increase demand for recreational facilities. Previous experience had shown that temporary construction workers might reside at campgrounds and RV parks, impacting lower cost visitor facilities. Commission found that although some impacts of the onshore portions of the project remained, they were mitigated sufficiently through the County's conditions to find those portions consistent with the access and recreation policies of the Coastal Act.

Offshore, noise and visual intrusion of the pipeline and marine terminal construction and operation were reduced where possible through conditions, but the Commission found that remaining impacts would degrade the park and recreation areas and lower cost recreational facilities, rendering the project inconsistent with Sections 30213, 30240(b) and 30250. The Commission found,

however, that project impacts were mitigated to the maximum extent feasible and that these coastal dependent portions of the project were consistent with the override provision of Section 30260(3).

J. Visual and Scenic Resources

Mitigation In Project As Proposed:

- (1) Onshore facilities to be painted "sagebrush" color;
- (2) Other measures included in previous review (See CC-7-83 and CC-7-83R).

Conditions Imposed by Santa Barbara County:

In addition to those previously discussed in CC-7-83 and CC-7-83R,

- (1) Review of all structural designs by the County's Architectural Review Board;
- (2) Screening of onshore portions of the project, including parking lots, from public view;
 - (3) Undergrounding of all power lines;
 - (4) Restoration of any areas damaged by oil spills;
 - (5) Avoidance of obtrusive night lighting and glow from the facilities;
- (6) Removal of unused storage tanks associated with the old El Capitan marine terminal; recontouring and revegetation of the tank site;
- (7) Contribution of \$25,000 towards removal of abandoned steel pilings at El Capitan State Beach Park;
 - (8) Painting of all visible structures to harmonize with surrounding areas;
- (9) Contribution to the Coastal Resources Enhancement Fund (CREF) (discussed in the previous section);
- (10) Discontinuance of use of the OS&T within 30 days of facility start-up; removal of the OS&T within 1 year of onshore facility start-up; removal of OS&T mooring within 3 months of OS&T removal.
- <u>Basis</u>: Section 30251 addresses scenic and visual resources; Section 30240(b) addresses development near parks and recreation areas; Section 30250 addresses cumulative impacts. The project was sited in an area of unique scenic value, and tourist and recreational industries rely heavily on the natural scenic quality of the coast. The onshore facilities were somewhat screened by being located within canyons, but the Commission found that the marine terminal operations would inevitably degrade the scenic quality of the coastline. The Commission found that the impacts of the onshore portions were mitigated sufficiently to render those portions of the project consistent with visual policies of the Coastal Act; the offshore elements, however (construction of the pipeline and operation of the marine terminal), would introduce industrial features into the scenic ocean views, degrading visual resources and rendering

those portions inconsistent with Sections 30240(b), 30251, and, when considered cumulatively, Section 30250. With the County's conditions, the Commission found that impacts of these coastal dependent portions of the project were mitigated to the maximum extent feasible, and that the project was consistent with Section 30260.

K. Cultural Resources

Mitigation In Project As Submitted:

See Cultural Resources Section of CC-7-83R.

Conditions Imposed by Santa Barbara County:

- (1) Sponsorship of a workshop for pipeline contractors and Native American consultants to review and explain the mutual concerns and activities related to pipeline installation;
- (2) Preparation of a Cultural Resource Management Plan (CRMP), detailing field work methods and procedures, including avoidance of known sites, test excavations, preservation, and the presence of a qualified archaeologist and a Chumash observer during earth moving work;
- (3) Contribution to Chumash programs which lessen or mitigate unavoidable project impacts to cultural resources.

Special Provisions of the State Lands Commission Lease:

(1) Avoidance or investigation and preservation of a cultural anomaly identified on the SALM pipeline route.

<u>Basis</u>: Section 30244 addresses archaeological and paleontological resources; Section 30250 addresses cumulative impacts. Five archaeological sites and two areas of prehistoric sensitivity were located within the onshore project site. The Commission found it difficult to determine that the onshore portions of the project were consistent with Section 30244 since some impacts remained unmitigated. However, the Commission determined that the Las Flores Canyon site was the least damaging location, and found the onshore portions, on balance, consistent with the CCMP under Section 30007.5 (similar to discussion under Vessel Traffic and System Safety, Section 3.E, and Habitat and Land Resources, Section 3.H). The Commission found that possible offshore cultural resources identified in offshore cultural resource surveys were avoided or that impacts would be mitigated adequately under the CCMP to render the offshore portions consistent with Sections 30244 and 30250.

L. Consolidation of Facilities

Conditions Imposed by Santa Barbara County:

 Pipeline transportation of SYU crude oil in conformance with Santa Barbara County LCP policies which allow tankering only in emergency or if a pipeline to a shipper's market destination is unavailable or use is infeasible;

- (2) Allowance of any other producer of oil and gas resources to use the Las Flores Canyon onshore processing and marine terminal facilities in the following manner: Any excess capacity available at the SYU facilities would be made available to other oil and gas developers; if excess capacity were not available at existing facilities, Exxon would allow other developers to construct additional oil and gas-related facilities on the Las Flores Canyon property on a non-discriminatory and equitable basis; should such additional facilities not be permittable pursuant to County policies, Exxon would reduce its throughput on a pro-rata basis to accommodate such other developers.
- (3) Construction of the marine terminal only if the County has certified that industry's oil transport demand for situations set forth in Local Coastal Plan Policy 6-8 and Coastal Zoning Ordinance Section 35-154.5(i) exceeds the capacity of the Gaviota interim terminal, or that construction and operation of the new terminal is environmentally preferable to continued operation of the Gaviota terminal;
- (4) Transport of natural gas liquids and liquified petroleum gases (NGL/LPG) by use of a regional NGL/LPG transmission facility;
- (5) Submission to the County of an air quality management plan demonstrating that future consolidation in Las Flores and Corral Canyons would not be precluded by conflicts with air quality standards.

Special Provisions of the State Lands Commission Lease:

- (1) Marine terminal and pipelines in state waters to be available to other users on an open and non-discriminatory basis. If excess storage and throughput capacity does not exist, and no other terminal facilities are available, Exxon would have to allow other users on a pro-rated basis, even if it requires a cut-back of Exxon's use;
- (2) Allowance of construction and use of only one marine terminal on the south coast of Santa Barbara County, at either the Gaviota site or the Las Flores Canyon site. Prior to construction of the Las Flores marine terminal, Exxon would be required to provide County certification that demand for marine terminal facilities in the Santa Barbara Channel area exceeds the capacity of the Gaviota interim marine terminal or that the environmental impacts of the new terminal would be less adverse than continued operation of the Gaviota facilities on a long-term basis;
 - Consolidation of all facilities to the maximum extent feasible;
- (4) Provision of a tie-in on the pipeline for future use by other parties, with costs to be reimbursed by future users of the tie-in;
- (5) Provision of open and non-discriminatory access to Exxon's produced water outfall line and crude oil pipelines to Lompoc and other oil refineries, or, if expansion is necessary, allowance of such expansion;
- (6) Provision of land in Las Flores Canyon for other parties to construct oil and gas processing facilities.

<u>Basis</u>: Sections 30260, 30262 and 30261 address consolidation of oil and gas facilities. The Commission found that the project as proposed and conditioned by Santa Barbara County, the State Lands Commission and the Coastal Commission, particularly with the conditions requiring Exxon to allow other users access to the facilities, had provided for consolidation to the maximum extent feasible, and was therefore consistent with Sections 30260(3), 30261(a), and 30262.

M. Section 30260. The Commission found that, as conditioned by Santa Barbara County, the State Lands Commission and the Coastal Commission, the coastal-dependent portions of the project included maximum feasible mitigation of adverse impacts and were therefore consistent with Section 30260(3). The use of alternative sites was thoroughly investigated and alternative sites were found to be infeasible or more environmentally damaging, so the Commission found the project consistent with Section 30260(1). In evaluating the public welfare provision of Section 30260(2), the Commission considered the impacts remaining after mitigation, including the risk of oil spills and their potential damage, the visual impacts of tankers and the marine terminal operations on nearby beach parks, the depletion of air quality offsets available to the region, and the preclusion of fishing areas. The Commission also considered the national interest benefit of development of the SYU facilities. The Commission especially of noted the use transportation, the consolidation of facilities, the project's role in supporting other oil and gas activities, the level of mitigation of environmental risks and impacts, the benefit of removal of the existing OS&T, and the environmental preferability of the project location compared to alternative sites, and concluded that the project was consistent with Section 30260(2) in that disapproval would be adverse to the public welfare.

Related Commission Action

In 1976, when Exxon installed the first platform in the Santa Ynez Unit (Hondo A), the Commission's consistency jurisdiction over OCS activities had not yet been established. In that same year, the Commission (Appeal No. 216-75) approved Exxon's proposal for a temporary marine terminal within state waters (which was within the Commission's permit jurisdiction) to transport the oil produced from Hondo A until such time as sufficient information was available to determine the feasibility of an onshore pipeline to transport the crude. Rather than accept this conditional approval, Exxon chose to emplace and utilize an Offshore Treatment & Storage (OS&T) vessel on the OCS just outside the three mile limit of state permit jurisdiction.

In January of 1983, Exxon submitted a consistency certification for expansion of production in the Santa Ynez Unit. The 1983 proposal included two options, each of which included three or four new platforms (Exxon later determined that only three were needed), pipelines, and electrical cables in OCS waters, and expansion of onshore gas processing facilities to accommodate the new platforms. The two options differed in methods of treatment, storage and transport of the produced crude. Although both options ultimately relied on transport of treated crude by tanker to the Gulf Coast, Option "A" involved expanding the capacity of the existing OS&T, while option "B" involved construction of new onshore oil treatment and storage facilities and a new marine terminal about a mile offshore of El Capitan. In June of 1983, the Commission concurred with the consistency certification for the platforms and pipelines of Option "B", but objected to Option "A" (with the OS&T) as the

preferred means of oil storage and treatment prior to shipment (see CC-7-83). Exxon withdrew the nearshore and onshore portions of Option "B", allowing time for completion of the EIR/EIS for the project as well as ongoing pipeline feasibility and consolidated marine terminal siting studies being conducted by the County of Santa Barbara.

Exxon appealed the Commission's objection to Option "A" to the Secretary of Commerce, and simultaneously filed suit against the Commission on the basis, among other allegations, that requiring pipeline transportation constituted an "anti-tankering" policy which conflicted with federal law. In February of 1984, the Secretary of Commerce issued a preliminary decision on the appeal, withholding his final decision pending completion of the EIR/S for the project and County action on the permits for the onshore option. In April, 1984, Exxon resubmitted the consistency certification for Option "B" and filed for permits for the parts of Option "B" within state boundaries. When Santa Barbara County approved only the onshore portion of Option "B", while denying the marine terminal location. Exxon withdrew the resubmittal to the Commission and requested that the Secretary of Commerce resume its review of the appeal of Option "A". At the same time, Exxon filed a lawsuit against Santa Barbara County for denial of the marine terminal. Exxon and the County entered into an agreement for settlement of the lawsuit in February of 1985, at which time Exxon requested a stay of its appeal of Option "A", and shortly thereafter, in April of 1985, Exxon submitted a revised consistency certification for Option "B" with the Commission. In August, 1985, the Commission concurred with Exxon's consistency certification for Option "B", with the understanding that issues remaining unresolved could be further addressed when Exxon returned for coastal development permits (see CC-7-83R).

Several modifications took place in the ensuing period as Exxon and Santa Barbara County tried to come to agreement on conditions for the onshore facilities permit, particularly on the issue of air quality mitigation. Finally, in June of 1987, Exxon submitted to the Commission the modified proposal for Option "B" (CC(E)-64-87 and E-1-88), and, by the time the proposal was before the Commission for a final decision in February of 1988, Santa Barbara County, the State Lands Commission and the County APCD had already issued their approvals. (For a more detailed history, see the adopted findings referenced in the next paragraph, which provides a history of this project in Exhibit A of those findings.)

6. For More Information, Refer To:

California Coastal Commission, Adopted Findings, CC(E)-64-87 & E-1-88, dated February 23, 1988; Santa Barbara County Resource Management Department, "Exxon Santa Ynez Unit Final Development Plan Conditions of Approval," dated September 15, 1987; State Lands Commission, Lease No. PRC 7162.1 (marine terminal) and PRC 7163.1 (pipelines), undated; Santa Barbara County Air Pollution Control District, "Final Decision Document: Authority to Construct Permit No. 5651," dated November 19, 1987; Compendium for CC-7-83 and CC-7-83R.

CC-1-88 CONOCO, POE, OCS-P 0522, 6 WELLS FILE DATE: 02/05/88, MMS

I. Summary

The Commission objected to Conoco's consistency certification for a POE for 6 exploratory wells on OCS-P 0522, 9 miles south of the City of Santa Barbara, because: (1) Conoco had not adequately mitigated air quality impacts; and (2) Conoco had provided insufficient information on marine resource and commercial fishing issues.

On the air quality issue, the Commission noted that the onshore areas that would be affected by this project are designated non-attainment for ozone and have serious air quality problems, which would be exacerbated by the project. The Commission found that in order to comply with Section 307 of the CZMA and Section 30253 of the CCMP, and pertinent provisions of Santa Barbara County APCD rules, Conoco would have to provide offsets, or otherwise mitigate adverse impacts. Because Conoco did not, the Commission objected to the POE.

On the marine resource and commercial fishing issues, the Commission objected because Conoco had not provided: a biological survey of the hardbottom areas near the proposed drill sites; an assessment of the the impact of anchors on hardbottom habitat; a commitment to monitor biological impacts; and adequate information on how it would mitigate commercial fishing impacts.

II. Compendium

- 1. <u>Project Description</u>. POE and NPDES permit, consisting of six exploratory wells (and associated discharges) on OCS-P 0522, 9 miles south of the City of Santa Barbara. Drillship: Diamond M General. Water Depths: 339 to 738 ft. Offshore Unit: Smugglers Cove Unit. Lease Sale: 80.
- 2. <u>Commission Action and Date</u>. Objection, June 9, 1988. Decision is currently pending on appeal before the Secretary of Commerce, as of the date of this writing.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process.</u>
 - A. Air Quality.

Mitigation In Project As Submitted:

- (1) Use of a hydrogen sulfide scrubber to reduce sulfur emissions; and
- (2) Four degree injection timing retard on the drillship to reduce NOx emissions.

Project Modifications Made During the Consistency Review Process:

- (1) NOx reduction measures for crew and supply boat traffic servicing the drillship, consisting of:
 - (a) supply boat speed reduction;
 - (b) reduced supply boat idling time at the drillship; and
 - (c) supply boat engine turbocharging and intercooling.

Basis: Sections 30253(3) and 30414 of the Coastal Act address air quality. The onshore areas which would be affected by the project are in non-attainment for ozone and particulate matter. The project would emit significant quantities of NOx (oxides of nitrogen) and ROC (reactive organic compounds), which are ozone precursors. Conoco provided the above modifications relating to the issue of NOx emissions from crew and supply boats. These measures essentially constituted implementation of the measures contained in the "Chevron Boat Study" (Crew and Supply Boat NOx Control Program, June, 1987, funded by Chevron and prepared by the Santa Barbara County APCD, in connection with development of the Point Arguello offshore oil field). The Commission found these measures constituted BACT (Best Available Control Technology), thereby complying with one of the pertinent Santa Barbara County APCD rules.

The Commission found that, in order to comply with the requirements of Section 30253(3) and Section 307 of the CZMA, and pertinent Santa Barbara County APCD rules, Conoco would need to provide, in addition to the above measures, offsets for residual NOx and ROC emissions, or otherwise mitigate adverse impacts. Because Conoco did not provide this mitigation, the Commission found the project inconsistent with Sections 30253(3) and 30414. The Commission found consistency with these policies could be achieved if Conoco would provide this mitigation.

B. Marine Resources.

Project Modifications Made During the Consistency Review Process:

- (1) Relocate the wells so that no well would be within 1000 ft. of hardbottom habitat;
- (2) Revise anchor plans so that anchors would not be placed directly on top of hardbottom habitat; and
- (3) Adjust anchor plans if necessary, and submit final plans to the Commission prior to drilling.

<u>Basis</u>: Sections 30230, 30231, and 30240 of the Coastal Act address marine resources. The project site contained extensive environmentally sensitive hardbottom habitat in the areas proposed for drilling. Conoco's originally proposed wells would have been located directly over or adjacent to hardbottom habitat. During the Commission's review process, Conoco relocated the wells so that no well would be within 1000 ft. of hardbottom habitat. Also during

the Commission's review process, because of the predominance of the hardbottom habitat in locations where anchors would be placed, and because anchor chains can adversely affect hardbottom habitat by their movement across the habitat, Conoco provided the above modifications (2) and (3) to reduce the impact of anchors on this habitat.

The Commission determined these measures were insufficient to meet the requirements of Sections 30230, 30231, 30240 and 30260 of the Coastal Act. The Commission determined compliance with these policies could not be determined without additional information, in the form of a biological survey of the hardbottom habitat in and around the well and anchor locations, an analysis of the effects of anchor movement and anchor chain movement, and a commitment to monitor biological effects. Without this information the Commission was unable to determine the extent and value of areas and resources that would affected by the project, and was unable to evaluate alternative locations and whether maximum feasible mitigation had been provided.

C. <u>Drilling Muds/Water Quality</u>.

Mitigation In Project As Submitted:

(1) Compliance with EPA NPDES permit.

Project Modifications Made During the Consistency Review Process:

(1) Relocate the wells so that no well would be within 1000 ft. of hardbottom habitat, as discussed in previous section.

<u>Basis</u>: Sections 30230, 30231, and 30412 address marine resources, and Section 30250 addresses cumulative impacts. Although concerned over cumulative impacts, the Commission found that the NPDES permit provisions, combined with the above modification to relocate wells 1000 ft. from hardbottom habitat, complied with Sections 30230, 30231, 30250, and 30412. However, the Commission objected to the NPDES permit, finding that it was inextricably linked to the POE.

D. Oil Spills.

Mitigation In Project As Submitted:

(1) Best available oil spill cleanup and containment equipment, with the exception of the amount of on-site oil storage capacity (for list of measures, see CC-3-84).

Project Modifications Made During the Consistency Review Process:

(1) Increased on-site oil storage capacity.

Basis: Section 30232 addresses oil spills. Conoco's submittal contained most of what, based on its review of previous POEs, the Commission has considered to constitute best available oil spill cleanup and containment equipment. Due to a concern about the sufficiency of its on-site oil spill collection capacity, Conoco modified the project to assure adequate on-site capacity. Because of overall limited oil spill cleanup and containment capabilities, the

Commission found the project inconsistent with Sections 30232 and 30250. However, the Commission found the applicant had provided best available oil spill control and containment, and thus adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).

E. Commercial Fishing.

Mitigation In Project As Submitted:

- (1) Safety devices to make the drilling vessel more detectable;
- (2) Use of designated oil service vessel corridors; and
- (3) Advance notice to fishermen of planned activities and anchor locations.

Project Modifications Made During the Consistency Review Process:

- (1) Relocate the wells so that no well would be within 1000 ft. of hardbottom habitat, as discussed in the Marine Resources section above; and
- (2) Compliance with MMS condition requiring Conoco to select among the following mitigation options:
 - (a) not conducting drilling operations during the month of May;
- (b) use of a standby/monitor vessel in May and a standby/monitor vessel between August 14 and December 14 whenever exploration on Chevron's lease OCS-P 0525 also occurs during this time period; or
- (c) some other measure(s) found acceptable to MMS which is developed in negotiation with potentially affected drift gill net fishermen.

Basis: Sections 30230 and 30703 address commercial fishing resources. subject lease contained extensive hardbottom habitat, which constituted an important commercial fishing resource in addition to the biological values discussed above. The project area was important for drift gillnet fishing and purse seine fishing. In its review, which began concurrently with the Commission's review, MMS required Conoco to select among a number of possible mitigation measures for commercial fishing (see above modification), intended primarily to reduce adverse impacts on drift gill net fishing for thresher shark. Because the project would temporarily displace commercial fishing, and because of cumulative impacts on commercial fishing, the Commission found the project inconsistent with Sections 30230 and 30703. Because Conoco did not identify which form of mitigation it would be providing for commercial fishing impacts, combined with the biological issues discussed in the Marine Resources section above (i.e., the lack of a biological survey and information on anchors), issues which also affect commercial fishing, the Commission could not determine that the project was located in the least environmentally damaging manner, and whether maximum feasible mitigation had been provided. The Commission therefore found the project inconsistent with Section 30260 (1) and (3).

Department of Fish and Game Fish Blocks: 666 and 667.

4. Other Issues

- A. <u>Vessel Traffic</u>. Section 30262(d) addresses vessel traffic safety. Conoco's submittal included 24-hour manned radar with an audible alarm, a minimum two-mile fog horn, 15 mile lights with an automatic back-up system providing 10-mile lights, aircraft warning lights on the derrick, and daylight lighting of the rig when visibility falls below three miles. The Commission found that, though the drillship would be sited where it could pose a hazard to vessel traffic, Conoco had mitigated vessel traffic hazards to the maximum extent feasible, and that with these measures, the project was not a substantial hazard to vessel traffic. Therefore, the Commission found the project consistent with Section 30262(d).
- B. <u>Geologic Hazards</u>. Sections 30253(1) and 30262 address geologic hazards. The Commission reviewed Conoco's shallow hazards survey and concluded that geologic hazards did not pose a constraint, and therefore that the project was consistent with Sections 30253 and 30262.
- 5. Related Commission Action. At the same Commission meeting, the Commission objected to Chevron's POE (CC-2-88) on nearby OCS-P 0525, on air quality grounds similar to those discussed in the subject Conoco project.
- 6. For More Information, Refer To: Adopted Findings, 6/9/88.

CC-2-88 CHEVRON, POE, OCS-P 0525, 5 WELLS FILE DATE: 03/07/88, MMS

I. Summary

The Commission objected, on air quality grounds, to Chevron's POE consistency certification for 5 exploratory wells on OCS-P 0525, 12 miles south of Santa Barbara, and 15 miles west of Ventura, in the Santa Barbara Channel. The Commission noted that the onshore areas that would be affected by this project are designated non-attainment for ozone and have serious air quality problems, which would be exacerbated by the project. The Commission found that in order to comply with Section 307 of the CZMA and Section 30253 of the CCMP, and pertinent provisions of Santa Barbara County APCD rules, Chevron would have to provide offsets for ozone precursor emissions, or otherwise mitigate adverse impacts. Because Chevron did not, the Commission objected to the POE.

II. Compendium

- 1. <u>Project Description</u>. POE and NPDES permit, consisting of 5 exploratory wells on OCS-P 0525, 12 miles south of Santa Barbara, and 15 miles west of Ventura, in the Santa Barbara Channel. Drill rig: Diamond M Falcon. Water depths: 485 to 823 ft. Offshore unit: Anacapa Unit. Lease Sale 80 tract.
- 2. <u>Commission Action and Date</u>. Objection, June 9, 1988. Decision is currently pending on appeal before the Secretary of Commerce, as of the date of this writing.
- 3. <u>Issues Involving Project Modifications Made During the Consistency Review Process</u>.

None.

4. Other Issues

A. Air Quality. Sections 30253(3) and 30414 of the Coastal Act address air quality. The onshore project area is in non-attainment for ozone and particulate matter. The project would emit significant quantities of NOx (oxides of nitrogen) and ROC (reactive organic compounds), which are ozone precursors. To address air quality impacts, Chevron included in its original submittal a hydrogen sulfide scrubber and use of low sulfur diesel fuel to reduce sulfur emissions, four degree injection timing retard on the drillship to reduce NOx emissions, and measures to reduce NOx emissions from crew and supply boats, consisting of: turbocharging, 4 degree injection timing retard, and intercooling, or a demonstration of the ability to meet a fuel efficiency of 8.4 g/hphr (grams per horsepower hour) (at 85% load), with up to 10% of total trips to be uncontrolled.

These crew and supply boat measures were the same as those worked out between Chevron and the Santa Barbara County APCD, in connection with development of the Point Arguello offshore oil field. The measures are discussed in the "Chevron Boat Study" (Crew and Supply Boat NOx Control Program, June, 1987,

funded by Chevron and prepared by the Santa Barbara County APCD). The Commission found these measures constituted BACT (Best Available Control Technology), thereby complying with one of the pertinent Santa Barbara County APCD rules.

The Commission found that, in order to comply with the requirements of Section 30253(3) and Section 307 of the CZMA, and pertinent Santa Barbara County APCD rules, Chevron would need to provide, in addition to the above measures, offsets for residual NOx and ROC emissions, or otherwise mitigate adverse impacts. Because Chevron did not provide this mitigation, the Commission found the project inconsistent with Sections 30253(3) and 30414. The Commission found consistency with these policies could be achieved if Chevron would provide this mitigation.

- B. <u>Oil Spills</u>. Section 30232 addresses oil spills. Chevron's submittal included measures which, based on its review of previous POEs, the Commission has considered to constitute best available oil spill cleanup and containment equipment (for list of measures, see CC-3-84). In response to a concern about the sufficiency of the on-site oil spill collection capacity, Chevron clarified that it was providing sufficient oil storage capacity adequate to handle the amount of oil the on-site skimmer could collect prior to the arrival of the Mr. Clean vessel. Because of overall limited oil spill cleanup and containment capabilities, the Commission found the project inconsistent with Sections 30232 and 30250. However, the Commission found that the applicant had provided best available oil spill control and containment, and thus that adverse impacts had been mitigated to the maximum extent feasible, and that the project was consistent with Section 30260(3).
- C. Commercial Fishing. Sections 30230 and 30703 address commercial fishing. Chevron's project as submitted contained agreement to the following measures: observe designated oil service vessel traffic corridors; notify fishermen of precise anchor locations; investigate the feasibility of consolidating hazards information for commercial fishermen; and, mitigate preclusion impacts on drift gillnet fishing. The Commission found the project inconsistent with Sections 30230 and 30703, because even with the mitigation measures incorporated into the project, the project would temporarily displace commercial fishing efforts. However because of the mitigation measures, and the fact that Chevron had sited the wells to avoid the hardbottom features on the lease, the Commission found the project was in the least damaging alternative location and provided maximum feasible mitigation. The Commission therefore found the project consistent with Section 30260 (1) and (3).

Department of Fish and Game Fish Blocks: 666 and 685.

D. <u>Drilling Muds/Water Quality</u>. Sections 30230, 30231, and 30412 address marine resources and water quality, and Section 30250 addresses cumulative impacts. Although concerned over cumulative impacts, the Commission found that with the NPDES permit provisions, the discharges would comply with Sections 30230, 30231, 30250, and 30412. However, the Commission objected to the NPDES permit, finding that it was inextricably linked to the POE.

- E. Marine Resources. Sections 30230, 30231, and 30240 address marine resources. Because of the risk of an oil spill, the Commission found the project inconsistent with Coastal Act Sections 30230, 30231, 30240, and 30250. Because Chevron sited the wells to avoid effects on hardbottom habitat, located the anchors and anchor chains away from hard-bottom habitat, and located the well sites far enough away from hard-bottom habitat to protect it from the major effects of muds and cuttings discharges, the Commission found that, other than with respect to oil spills, the project was consistent with these marine resource sections for impacts to this habitat. Because Chevron had provided maximum feasible mitigation with respect to oil spill protection, as discussed in Section B. above, the Commission found the project consistent with Section 30260 (3).
- F. <u>Vessel Traffic</u>. Section 30262(d) addresses vessel traffic safety. Chevron's submittal included 24-hour manned radar with an audible alarm, a minimum two-mile fog horn, 15 mile lights, aircraft warning lights on the derrick, and all obstruction lights to be lit 24 hours/day. The Commission found that, though the drillship would be sited where it could pose a hazard to vessel traffic, Chevron had mitigated vessel traffic hazards to the maximum extent feasible, and that with these measures, the project was not a substantial hazard to vessel traffic. Therefore, the Commission found the project consistent with Section 30262(d).
- G. <u>Geologic Hazards</u>. Sections 30253(1) and 30262 address geologic hazards. The Commission reviewed Chevron's shallow hazards survey and found that geologic hazards did not pose a constraint for the project. The Commission therefore found the project consistent with Sections 30253 and 30262.
- 5. Related Commission Action. At the same Commission meeting, the Commission objected to Conoco's POE (CC-2-88) on nearby OCS-P 0522, in part due to similar air quality grounds.
- 6. For More Information, Refer To: Adopted Findings, 6/9/88.

GAVIOTA ONSHORE PROCESSING FACILITIES, CHEVRON INCLUDES:

PART 1: APPEAL/AMENDMENT/PERMIT: A-4-STB-84-91/1-85-B/E-85-2

PART 2: APPEAL: A-E-85-12

PART 3: PERMIT AMENDMENT: E-85-2-A

FILE DATES: (1) 1/17/85; (2) 9/23/85; (3) 6/20/86

PART 1: APPEAL/AMENDMENT/PERMIT: A-4-STB-84-91/1-85-B/E-85-2

I. Summary

The Commission approved, with conditions, this coastal development permit (CDP) for Chevron's oil and gas processing facility at Gaviota and associated onshore pipelines, which were on appeal from Santa Barbara County. The Commission found that the appeal raised a substantial issue concerning conformance with Santa Barbara County Coastal Plan access policies. Based on Santa Barbara's Local Coastal Plan (LCP) and the public access and recreation policies of Chapter 3 of the Coastal Act, the Commission imposed conditions requiring Chevron to: (1) provide \$1,000,000 to Santa Barbara County for initial costs in implementing a public access program for the Hollister Ranch; and (2) contribute no less than \$1,000,000 to any public access program agreed to by the Hollister Ranch Home Owners Association, the Coastal Conservancy, and the Commission, if special condition 1 has not been met and if the subsequently deleted special condition 1. Commission has With either condition the \$1,000,000 would be credited to Chevron's required payment to Santa Barbara County's Coastal Resource Enhancement Fund. These conditions were in addition to the 165 conditions imposed by Santa Barbara County, which were adopted by the Commission, with some modifications regarding the above two measures.

The Commission also consolidated two other actions associated with the Gaviota facility development with this appeal. First, the Commission denied and approved with suggested modifications an amendment to the Santa Barbara County LCP which rezoned 5 acres of agricultural land (AG-II-320) to Coastal Dependent Industry (M-CD) (LCP Amendment 1-85-B). Second, the Commission granted, subject to conditions, a coastal development permit to install a marine outfall line at Gaviota and two oil and gas lines from Platform Hermosa to shore, approximately 1 mile north of Point Conception (E-85-2). Commission imposed on this energy permit the following special conditions: (1) all offshore construction activities, including the use of explosives, shall be limited to the months of May through November; (2) Chevron will institute a monitoring program to assure that the biological productivity of the Gaviota kelp beds is maintained: (3) divers will inspect the diffusor on the marine outfall line at least twice per year; (4) Chevron will minimize commercial fishing impacts by (a) using support boat routes adopted by the Joint Committee on Santa Barbara Channel Oil Service Vessel Corridor Programs; (b) compensating all commercial fishermen for any equipment damage or loss and resultant loss of income attributed to the permitted construction activities; and (c) refraining from mooring its support vessels within the ten fathom bathymetric curve: and (5) design and installation procedures for the outfall line and subsea pipelines will adhere to State Lands Commission technical requirements.

II. Compendium

- 1. <u>Project Description</u>. Coastal development permit for Chevron to construct an oil and gas processing facility at Gaviota and associated onshore pipelines. Associated actions: Amendment of Santa Barbara County Local Coastal Plan rezoning 5 acres of agricultural land to coastal dependent industry (LCP amendment 1-85-B); and Coastal Energy Permit to install a marine outfall line at Gaviota and oil and gas lines extending from Platform Hermosa (OCS-P 0316) to shore approximately 1 mile north of Point Conception (E-85-2).
- 2. <u>Commission Action and Date</u>. Approval of A-4-STB-84-91 with conditions, denial and approval of modified LCP amendment 1-85-B, and approval of E-85-2 with conditions, April 9, 1985.
- 3. Issues Involving Conditions on A-4-STB-84-91.
 - A. Public Access.

Conditions Imposed Prior to Appeal:

(1) Santa Barbara County Conditions, discussed in Basis section below.

Additional Conditions Imposed on Appeal:

- (1) Chevron will provide \$1,000,000 to Santa Barbara County for initial costs in implementing a public access program for the Hollister Ranch. The contribution would be credited to Chevron's required payment to Santa Barbara County's Coastal Resource Enhancement Fund;
- (2) Chevron shall contribute no less than \$1,000,000 to any public access program agreed to by the Hollister Ranch Home Owners Association, the Coastal Conservancy, and the Commission, if special condition 1 has not been met and if the Commission has subsequently deleted special condition 1. The contribution would be credited to Chevron's required payment to Santa Barbara County's Coastal Resource Enhancement Fund.
- Basis: There was no public access along the approximately 20 miles of beach between Gaviota State Park and Jalama County Beach Park. Santa Barbara County Coastal Plan access policies 7-1, 7-2, 7-3, 7-22, and 7-24, and Section 30212 of the Coastal Act, address public access. The Commission found that there would be substantial burdens on public access and recreational opportunities from the Point Arguello Field development. County permit condition N-4, which required Chevron to provide access across its Gerber Fee property near Point Conception, was meant to provide this required public access. The Commission found, however, that condition N-4 did not specify the vertical and lateral access routes proposed for the Gerber fee property, nor did it include an implementing mechanism to assure access to the Gerber property itself. Moreover, no adequate access to the shoreline existed nearby. Commission found that condition N-4 was insufficient and that the permit as approved by the County was therefore inconsistent with the Santa Barbara County LCP and with Section 30212 of the Coastal Act. The Commission further found that the special conditions above were necessary for the project to provide the required public access. Access through Hollister Ranch was specified in the conditions because the Commission had previously found that a limited and managed public access program at Hollister Ranch would not result

in unmitigable adverse impacts (see, Hollister Ranch Public Access Program), and because Hollister Ranch was the only area along the stretch of coast between Jalama and Gaviota State Parks where there was no reasonable assurance that access would be provided. As conditioned, the Commission found the project consistent with the County's LCP and the public access and recreation policies of the Coastal Act.

4. Other Issues on Appeal in A-4-STB-84-91.

- A. Environmentally Sensitive Habitats. Santa Barbara County LCP policies 9-22 and 9-23 require that butterfly trees, which are protected as environmentally sensitive habitat areas (ESHA's), not be removed except where they pose a serious threat to life or property. Chevron's proposed construction of a Highway 101 overpass and connecting frontage roads would have removed approximately 150 eucalyptus trees which provided a portion of the Monarch butterfly habitat. However, County condition I-10 required that Chevron create a new grove of Eucalyptus trees on a 2 for 1 basis. In addition, the proposed construction's location met the design and safety requirements of Caltrans and the "least amount of impact" requirements of the County Department of Resource Management Energy Division. The Commission found, therefore, that the overpass as proposed was located in the least environmentally damaging location and that the impacts were mitigated to the maximum extent feasible as required by Section 30260. Thus, the Commission found that the project as conditioned by the County was consistent with the resource protection policies of the LCP.
- B. <u>Scenic and Visual Quality</u>. Santa Barbara County LCP policy 4-3 addresses scenic and visual quality. County permit conditions K-1 through K-6 require that facility design, including buildings, structures, landscaping and signs be in accordance with a plan approved by the County Board of Architecture Review (BAR). The Commission found that the BAR plan would adequately screen the project facilities within approximately five years of growth. The Commission found that the project as conditioned by the County was consistent with the LCP scenic and visual quality policies, and mitigated visual impacts to the maximum extent feasible.
- C. Pipeline Disruption of Coastal Resources. Santa Barbara County LCP policy 6-17 requires that when feasible, pipelines shall be routed to avoid important coastal resources, including recreation, habitat, and archeological areas. Policy 1-1 indicates that the County shall adopt the policies of Chapter 3 of the Coastal Act as the guiding policies of the LCP. The Commission found that the County had imposed numerous conditions on the project such that the impacts from the onshore pipeline were mitigated to the maximum extent feasible, and that the LCP specifically allows pipelines to cross ESHA as a conditional use as long as the impacts are mitigated to the maximum extent feasible. The Commission found that the route approved by the County balanced the protection of ESHA areas and archeological resources, and was consistent with County policy 6-17. The Commission found, therefore, that the project as conditioned by the County was consistent with the LCP resource protection policies.
- D. <u>Pipeline Disruption of Wetlands</u>. Santa Barbara County LCP policy 9-14 requires that new development in proximity to wetlands shall not result in a reduction in biological productivity. The County found that LCP policy 6-12 makes an exception for the installation of pipelines in environmentally

sensitive areas. Moreover, the conditions imposed by the County mitigated the impacts of the project to the maximum extent feasible by controlling erosion and sedimentation. The Commission found, therefore, that the project was consistent with the LCP wetland policies.

- E. Air Quality. Santa Barbara County LCP policy 11-1 states that the provisions of the Air Quality Attainment Plan (AQAP) shall apply to the coastal zone. Because the project needed a permit from the County Air Pollution Control District (APCD), the Commission found the project to be consistent with the LCP air quality policy.
- F. Facility Height. Santa Barbara County Coastal Zoning Ordinance (CZO) Section 35-87.7 restricts building heights in coastal development zones to 45 feet. CZO Section 35-173.3 restricts variances to 10% increases over the permitted height. The flare tower at Chevron's proposed facility would be 125 feet. The Commission found, however, that the variance restriction only applied to the Zoning Administrator and did not limit the actions of the Planning Commission, which had approved Chevron's facility. The Commission found, therefore, that the project as conditioned by the County was consistent with the LCP and CZO.

[Note: the height of the facility was subsequently increased to 165 feet in a permit amendment of A-4-STB-84-91. The Commission found that the amendment was necessary to meet minimum radiant heat exposure levels under all potential gas rates to the flare. Other amendments included the addition of County condition A-21, which addresses pipeline transportation and ozone emissions, and the clarification of conditions P-11, P-12, and Q-6, which address petroleum product transportation by pipeline and time periods of grading adjacent to the Vista del Mar school (See, A-4-STB-84-91-A Staff Report, 10/11/85).]

- F. <u>Incomplete Project Components</u>. A-4-STB-84-91 was an appeal of the County approval of a Preliminary Development Plan (PDP), and the issue arose as to whether the appeal was appropriate at this time. The County indicated to the Commission that this PDP was a major discretionary action of the County and that it should be considered an appealable coastal permit action. The Commission found that the project had received the equivalent of a coastal development permit from the County and that failure to hear the appeal could forfeit the Commission's ability to later review substantive elements of Chevron's project. (See A-E-85-12, an appeal of the Gaviota facility Final Development Plan (FDP) for further discussion of this issue.)
- 5. <u>LCP Amendment 1-85-B.</u> Santa Barbara County amended its Land Use Plan map to rezone 16.7 acres of Chevron's Gervais Fee property from agricultural (Ag-II-320) to coastal-dependent industry (M-CD). The Commission denied certification of the amendment because neither the County nor Chevron had submitted evidence that additional acreage beyond 5 acres of the property was necessary for actual industrial use at the Gaviota facility. Thus, the Commission found that the amendment was inconsistent with Sections 30241, 30242, 30260, and 30262, which address agriculture and consolidation. The Commission further found that the amendment was inconsistent with Sections 30240 and 30251, which address environmentally sensitive habitats and visual resources. The Commission denied and approved with suggested modification, however, an amendment modified to only rezone the necessary 5 acres from agricultural to coastal-dependent industry.

6. Energy Permit E-85-2. The Commission's actions on the above appeal and LCP amendment were consolidated with E-85-2, a coastal permit application to install a 10" diameter marine outfall line approximately 5,000' in length from Chevron's proposed Gaviota facility, and two oil and gas lines from Platform Hermosa on OCS-P 0316, extending to shore approximately 1.25 miles north of Point Conception.

Conditions Imposed on Permit:

- (1) All offshore construction activities, including the use of explosives, shall be limited to the months of May through November. The use of explosives shall cease if marine mammals are observed within 500 feet of the charge;
- (2) Chevron will institute a monitoring program to assure that the biological productivity of the Gaviota kelp beds is maintained;
- (3) Divers will inspect the diffusor on the marine outfall line at least twice per year;
- (4) Chevron will minimize commercial fishing impacts by: (a) using support boat routes adopted by the Joint Committee on Santa Barbara Channel Oil Service Vessel Corridor Programs; (b) compensating all commercial fishermen for equipment damage or loss and resultant loss of income attributed to the permitted construction activities; (c) refraining from mooring its support vessels within the ten fathom bathymetric curve; (d) using pipeline design and construction techniques to minimize obstructions to fishing activities; and (e) notifying construction schedules in the "Oil and Gas Project Newsletter for Fishermen and Offshore Operators".
- (5) Design and installation procedures for the outfall line and subsea pipelines will adhere to State Lands Commission technical requirements.

Issues Addressed in E-85-2.

A. Marine Resources. Section 30230 of the Coastal Act addresses marine resources. The Point Arguello-Point Conception area marks the convergence of warm southerly currents and cold northerly currents. Consequently, the region contains marine species associated with both the cold and warm temperate biotic provinces of the eastern north Pacific as well as species endemic to this transition area. Because Chevron's proposed pipelines might have required blasting in the tidal zone, which would have adverse impacts on marine species within a 500 foot radius of the blast, the Commission found that the project was inconsistent with Section 30230. However, because the project was coastal-dependent, the Commission found that condition 1 above provided the maximum feasible mitigation and that the project was therefore Concerning the marine outfall line, the consistent with section 30260. Commission found that the discharge from the Gaviota plant could adversely impact the heavily harvested kelp beds offshore of Gaviota, and that the produced water outfall was also inconsistent with Section 30230. Condition 2, however, provided the maximum feasible mitigation, and the Commission found the outfall consistent with Section 30260.

B. <u>Commercial Fishing</u>. Sections 30230, 30231, 30234, 30250, and 30255 of the Coastal Act address commercial fishing. The Commission found that the proposed pipelines and construction would significantly affect trawlers and set gear fishermen. Moreover, the diffusor on the outfall would cause turbidity which could displace set gear activities over the life of the project. The Commission found, therefore, that the project as proposed was inconsistent with the above sections of the Coastal Act. However, the Commission found that the pipelines and outfall were sited in the least environmentally damaging location, and that the conditions listed above would mitigate the impacts to the maximum extent feasible, so the project was consistent with Section 30260.

Department of Fish and Game Fish Blocks: 656 and 657.

- C. <u>Geologic Hazards</u>. Sections 30253 and 30262 address geologic hazards. The Commission found that Chevron's proposed oil and gas pipeline construction adequately accounted for any potential geologic hazards and that it was therefore consistent with Sections 30253 and 30262. The Commission found that the proposed construction of the outfall, as conditioned by condition 5, was consistent with these sections as well.
- D. <u>Scenic Quality</u>. Section 30251 addresses scenic and visual quality. The Commission found that the pipeline construction and maintenance periods of Chevron's project would temporarily degrade the scenic quality of the area. The Commission found, however, that the project was consistent with Section 30251 because the impacts were temporary, and because the adverse impacts public were mitigated by the public access conditions in A-4-STB-84-91 (see above).
- 8. <u>Related Commission Action</u>: No Substantial Issue determination on Final Development Plan for Gaviota Facility. See, A-E-85-12.
- 9. For More Information Refer to: A-4-STB-84-91, Revised Findings dated 5/20/85 (hearing date 6/11-14/85); LCP Amendment 1-85-8, Staff Report, 3/29/85 (hearing date 4/9/85); Permit E-85-2, Staff Report, 3/29/85 (hearing date 4/9/85); A-4-STB-84-91-A, Staff Report, 10/11/85, (hearing date, 10/24/85).

PART 2: APPEAL NO. A-E-85-12

I. Summary

The Commission found that this appeal of the Santa Barbara County Final Development Permit (FDP) for Chevron's Gaviota oil and gas processing facility did not raise a substantial issue. The main issue on appeal was whether or not the project was consistent with Santa Barbara County's Local Coastal Program (LCP) policies requiring the protection of environmentally sensitive habitat areas (ESHA). The Gaviota facility included the construction of a Highway 101 overpass and associated frontage roads which would require the removal of eucalyptus trees integral to the monarch butterfly's habitat. In a previous appeal of the preliminary development permit (PDP) for the Gaviota facility (see Compendium, A-4-STB-84-91), the Commission found that the project as conditioned by the County in the PDP provided maximum feasible mitigation and was therefore consistent with the LCP. The Commission's finding discusses LCP Policy 1-1, which states that the Chapter 3 policies of the Coastal Act shall be adopted as a guiding policy for the LCP. In this appeal the question raised was whether, under this LCP policy, Section 30260 applied to a Santa Barbara County Coastal Zone Ordinance (CZO) which prohibited the removal of butterfly trees. While expressing concern for the overall implications of the County's 30260 interpretation, the Commission found that with respect to this particular concern for the butterfly trees, a substantial issue was not raised.

II. Compendium

- 1. <u>Project Description</u>. Coastal Development Permit for Chevron to construct an oil and gas processing facility at Gaviota. See A-4-STB-84-91 for complete project description.
- 2. <u>Commission Action and Date</u>. No Substantial Issue determination, October 24, 1985. (A finding of No Substantial Issue means the County's decision becomes final.)

Issues on Appeal.

A. Environmentally Sensitive Habitats. Santa Barbara County LCP policies 9-22 and 9-23 provide that butterfly trees, which are protected as environmentally sensitive habitat areas (ESHA's), not be removed except where they pose a serious threat to life or property. Santa Barbara County Coastal Zone Ordinance (CZO) 35-97.12 implements these policies by reiterating this prohibition of the removal of butterfly trees. Chevron's proposed construction of a Highway 101 overpass and connecting frontage roads would have removed approximately 150 eucalyptus trees which provided a portion of the Monarch butterfly habitat. The main issue on appeal was whether or not Santa Barbara County's Land Use Plan (LUP) policy 1-1, which incorporates Section 30260 of the Coastal Act into the LUP as a guiding policy, applied to the CZO prohibition, which did not specifically refer to Section 30260 (see above summary). While expressing concern over the County's interpretation of LUP policy 1-1, the Commission found that its application in this case did not raise a substantial issue. The Commission found that the County had followed the spirit of the LCP policies regarding coastal dependent facilities, including the consideration of the benefits of onshore pipelines and the associated facility (Gaviota) and of any alternatives. Thus, the Commission found that County approval of the highway overpass under Section 30260 policies did not raise a substantial issue.

- B. Scenic and Visual Quality. Santa Barbara County LCP policy 4-3 addresses scenic and visual quality. County permit conditions K-1 through K-6 provide that facility design, including buildings, structures, landscaping and signs be in accordance with a plan approved by the County Board of Architecture Review (BAR). The Commission found that the BAR plan would adequately screen the project facilities within approximately five years of growth. The Commission found, therefore, that the project as conditioned by the County mitigated visual impacts to the maximum extent feasible and that it was consistent with the LCP scenic and visual quality policies.
- C. Pipeline Disruption of Coastal Resources. Santa Barbara County LCP policy 6-17 provides that when feasible, pipelines be routed to avoid important coastal resources, including recreation, habitat, and archeological areas. LCP policy 9-14 provides that new development in proximity to wetlands shall not result in a reduction in biological productivity. The County found that LCP policy 6-12 makes an exception for the installation of pipelines in environmentally sensitive areas, and allows their installation in such areas subject to a major conditional use permit. Moreover, the conditions imposed by the County mitigated the impacts of the project to the maximum extent feasible by controlling erosion and sedimentation. The Commission found, therefore, that the project as conditioned by the County was consistent with the LCP resource protection policies.
- D. <u>Air Quality</u>. Santa Barbara County LCP policy 11-1 states that the provisions of the Air Quality Attainment Plan (AQAP) shall apply to the coastal zone. Because the County Air Pollution Control District (APCD) was preparing to issue permits in compliance with the AQAP, the Commission found the project to be consistent with the LCP air quality policy.
- E. Facility Height. Santa Barbara County Coastal Zoning Ordinance (CZO) Section 35-87.7 restricts building heights in coastal development zones to 45 feet. CZO Section 35-173.3 restricts variances to 10% increases over the permitted height. The flare tower at Chevron's proposed facility would be 165 feet. The Commission found, though, that the variance restriction only applied to the Zoning Administrator and did not limit the actions of the Planning Commission, which had approved Chevron's facility. The County had found in the FDP action that the height was necessary to meet minimum radiant heat exposure levels under all potential gas rates to the flare. The Commission found, therefore, that the project as conditioned by the County was consistent with the LCP and CZO.

[Note: the height of the facility was increased to 165 feet from 125 feet in a permit amendment of A-4-STB-84-91. (See, A-4-STB-84-91-A Staff Report, 10/11/85).]

F. <u>Feasible Alternatives</u>. The proposed project would be the consolidated oil and gas processing facility for the entire Point Arguello Field, and the area to be used was designated as coastal dependent industrial facility in the County's LCP, which means that oil and gas processing were allowed. The associated pipelines were a permitted use, subject to approval of a major

conditional use permit, which was granted by the County. The Commission found that the County of Santa Barbara had fully considered the available alternatives to the Gaviota facility site and had found them environmentally inferior.

- G. Roadway Capacity, Health and Safety and Permit Procedures. While there was some question as to whether the Commission had jurisdiction over the issues of roadway capacity and school safety under the Coastal Act or LCP, the Commission found that the County action had adequately addressed these issues. Moreover, the Commission found that the County had complied with proper procedures by specifically finding that all necessary approvals for the Gaviota facility had been obtained, that the action was in conformance with the Coastal Act and CEQA, and that the County would not issue a coastal development permit until the appeal period had expired. Thus, the Commission found that no substantial issue was raised with respect to the certified LCP.
- 4. <u>Related Commission Action</u>: See, A-4-STB-84-91 for Preliminary Development Plan and more thorough Commission consideration of the project.
- 5. For More Information Refer to: Revised Adopted Findings, November 11, 1985; (NSI determination 10/24/85).

PART 3: PERMIT AMENDMENT NO. E-85-2-A

I. Summary

The Commission approved this amendment to the offshore pipeline component of Chevron's Gaviota oil and gas processing facility, allowing the addition of two seawater intake lines and one brine discharge line to the original pipeline corridor approved in E-85-2. Chevron proposed the additional intake and discharge lines to accommodate a desalination plant, which it determined would be necessary to meet Santa Barbara County and Commission conditions for adequate freshwater supplies at the Gaviota facility. The amendment also allowed a change in the method of pipeline construction from lay barge method to trestle method, to provide a more controlled working environment and to avoid the use of a lay barge in the surf zone. The Commission imposed the following conditions on the amendment: (1) Conditions approved in E-85-2 on April 9, 1985, remain in effect except as modified by this amendment; (2) Chevron will obtain a valid NPDES from the Regional Water Quality Control Board prior to operation of the facilities authorized by the Gaviota permit; and (3) During the exercise of development authorized by this permit, the applicant shall not interfere with any rights of public access acquired through use which may exist on the property.

II. Compendium

- 1. <u>Project Description</u>. Amendment to E-85-2, which was a coastal development permit for the offshore pipeline component of Chevron's Gaviota oil and gas processing facility, adding two seawater intake lines and one brine discharge line to the original pipeline corridor, and changing the method of construction from lay barge to trestle.
- 2. Commission Action and Date. Approved with conditions, July 8, 1986.

3. Conditions Imposed on Amendment:

- 1. Conditions approved in E-85-2 on April 9, 1985 remain in effect except as modified in A-E-85-2.
- Chevron shall obtain a valid NPDES from the Regional Water Quality Control Board prior to operation of the facilities authorized by the Gaviota permit.
- During the exercise of development authorized by the Gaviota permit, Chevron will not interfere with any rights of public access acquired through use which may exist on the property.

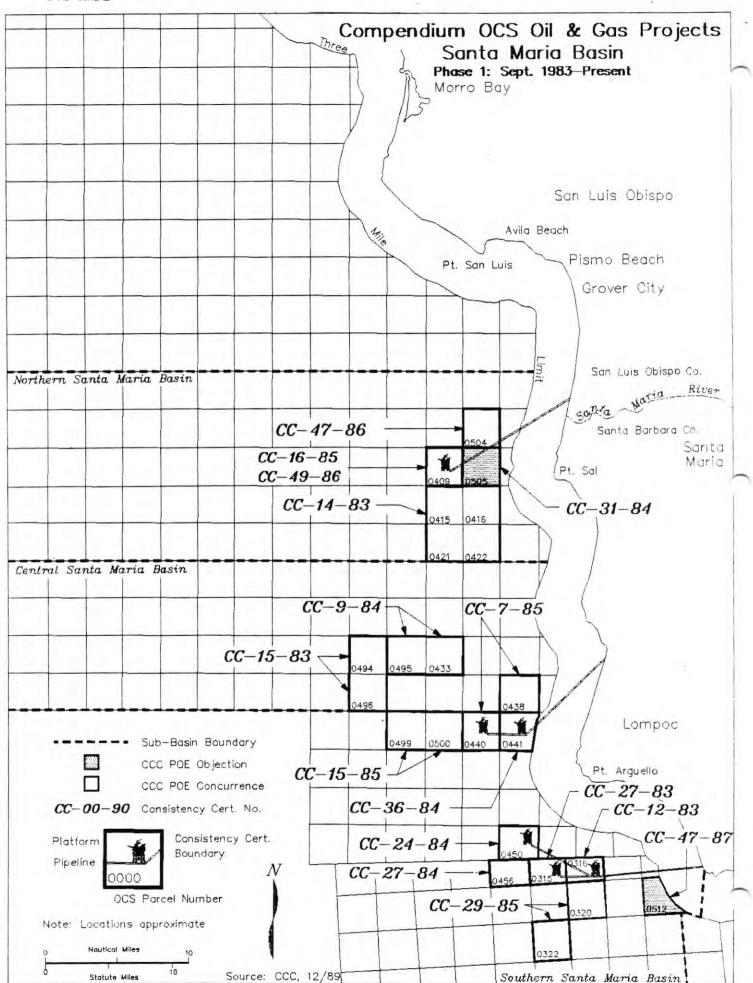
Issues Addressed in E-85-2-A.

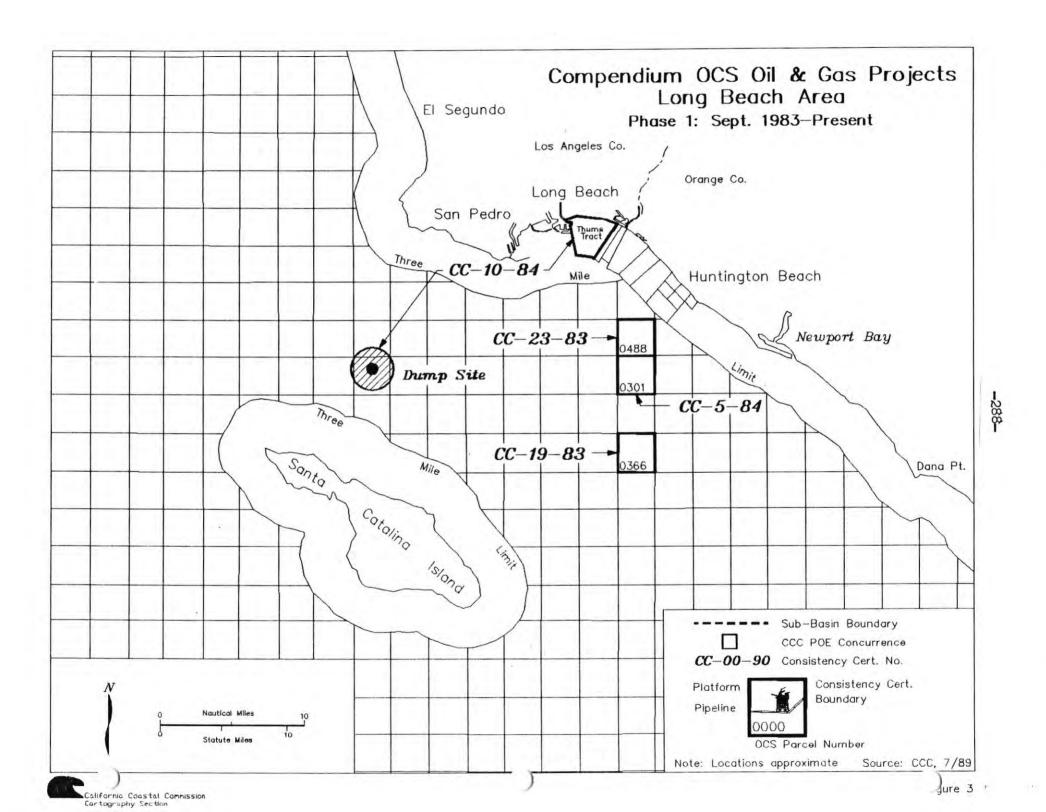
A. <u>Marine Resources</u>. Sections 30230 and 30231 address marine resources. The marine resource impacts of this project were extensively reviewed at the time the original permit was before the Commission. At that time conditions were imposed that mitigated the impacts to the marine resources present in the area of this project, including the kelp beds (see, E-85-2, Staff Report, 3/29/85 (hearing date 4/9/85)). This proposed amendment added three pipelines to the already approved alignment, with an increase in corridor width from 30

- to 32 feet, and it changed the method of construction from lay barge to trestle. The Commission found that the construction of the additional pipelines would impose minimal additional impacts. The Commission also found that the discharge of waste brine would probably not have any adverse effects on marine resources due both to its marginally higher salt content and to its distance from the kelp beds. Moreover, the discharge would be subject to the provisions of a new NPDES permit as required by Condition 2. The change in construction method was proposed to provide a more controlled working environment and to avoid the use of a lay barge in the surf zone. The Commission found that the trestle method would provide greater worker safety due to its fixed nature, and that it would lessen the overall impacts to the marine environment because of the elimination of anchor scars resulting from the lay barge method. The Commission found, therefore, that the amendment as conditioned was consistent with the marine resource policies of the Coastal Act.
- B. <u>Geological Hazards</u>. Section 30253 addresses geological hazards. The Commission found that the proposed burial of the additional pipelines and the conditions specified in the original permit adequately accounted for any potential hazards. The Commission found, therefore, that the amendment was consistent with Section 30253.
- C. <u>Public Access and Visual Quality</u>. Section 30211 addresses public access. While public access was extensively considered in the original Gaviota permit actions (see A-4-STB-84-91), the Commission had not examined the possibility of the existence of public prescriptive rights in the project area. In this amendment the Commission found that members of the public historically gained lateral access to the beach in the project area. The Commission found, however, that the amendment did not additionally burden public access. The additional pipelines would not require additional time to install, and the trestle method would actually decrease the construction period from eight to seven months. Moreover, an Occupational Safety and Health Administration approved walkway would be constructed over any trenching required and Condition 3 protected the prescriptive lateral access rights of the public. The Commission found, therefore, that the amendment as conditioned was consistent with the public access policies of the Coastal Act.

Section 30251 addresses scenic and visual quality. The Commission found that although the presence of the trestle during pipeline construction represented a temporary adverse impact on scenic quality, that the project was consistent with Section 30251.

- 5. Related Commission Action: No Substantial Issue determination and approval of the Final Development Plan for the Gaviota facility. See, E-85-2.
- 6. For Information Refer to: E-85-2-A, Adopted Findings, 6/26/86 (Hearing Date 7/8/86).





APPENDIX B

COMMONLY USED ACRONYMS/ABBREVIATIONS

Air Pollution Control District, a local air agency APCD -

ARB California Air Resources Board

barrel or barrels (1 barrel of oil = 42 gallons) bb1

bbl/day - barrels of oil per day

California Coastal Management Program, California's federally approved coastal management program

CZMA -Coastal Zone Management Act - the federal law establishing the federal consistency program and procedures

CZO Coastal Zoning Ordinance, the zoning and implementation element of Santa Barbara County's LCP

DOI Department of the Interior

DPP Development and Production Plan, the license/permit issued by MMS for production drilling (platforms) on the OCS

Environmental Impact Report EIR

EIR/S or EIS/R - a combined Environmental Impact Report/Statement

EIS Environmental Impact Statement Environmental Protection Agency EPA

ER Environmental Report

ESHA -Environmentally Sensitive Habitat Area

Final Development Plan, a Santa Barbara County designation FDP

HoS -Hydrogen sulfide

LCP Local Coastal Program

LUP Land Use Plan, the planning and policy element of an LCP

MMS Minerals Management Service

National Oceanic and Atmospheric Administration NOAA -

NOx -Oxides of Nitrogen, typically emitted by drilling engines, and

which lead to the formation of ozone

National Pollutant Discharge and Elimination System - the EPA NPDES permit authorizing ocean discharges, including drilling muds and cuttings discharges

Outer Continental Shelf ocs

Preliminary Development Plan, a Santa Barbara County designation PDP · -Plan of Exploration, the license/permit issued by MMS for POE exploratory drilling on the OCS

SBCAPCD - the Santa Barbara County Air Pollution Control District

Vessel Traffic Separation Scheme, the formally adopted vessel VTSS traffic lanes

APPENDIX C

COASTAL ACT POLICIES CITED IN COMPENDIUM

CHAPTER 3: COASTAL RESOURCES PLANNING AND MANAGEMENT POLICIES

ARTICLE 1: GENERAL

Section 30200.

- (a) Consistent with the coastal zone values cited in Section 30001 and the basic goals set forth in Section 30001.5, and except as may be otherwise specifically provided in this division, the policies of this chapter shall constitute the standards by which the adequacy of local coastal programs, as provided in Chapter 6 (commencing with Section 30500), and, the permissibility of proposed developments subject to the provisions of this division are determined. All public agencies carrying out or supporting activities outside the coastal zone that could have a direct impact on resources within the coastal zone shall consider the effect of such actions on coastal zone resources in order to assure that these policies are achieved.
- (b) Where the commission or any local government in implementing the provisions of this division identifies a conflict between the policies of this chapter, Section 30007.5 shall be utilized to resolve the conflict and the resolution of such conflicts shall be supported by appropriate findings setting forth the basis for the resolution of identified policy conflicts.

ARTICLE 2: PUBLIC ACCESS

Section 30210.

In carrying out the requirement of Section 4 of Article X of the California Constitution, maximum access, which shall be conspicuously posted, and recreational opportunities shall be provided for all the people consistent with public safety needs and the need to protect public rights, rights of private property owners, and natural resource areas from overuse.

Section 30211.

Development shall not interfere with the public's right of access to the sea where acquired through use or legislative authorization, including, but not limited to, the use of dry sand and rocky coastal beaches to the first line of terrestrial vegetation.

Section 30212.

(a) Public access from the nearest public roadway to the shoreline and along the coast shall be provided in new development projects except where:

- it is inconsistent with public safety, military security needs, or the protection of fragile coastal resources,
 - (2) adequate access exists nearby, or,
- (3) agriculture would be adversely affected. Dedicated accessway shall not be required to be opened to public use until a public agency or private association agrees to accept responsibility for maintenance and liability of the accessway.
 - (b) For purposes of this section, "new development" does not include:
- (1) Replacement of any structure pursuant to the provisions of subdivision (g) of Section 30610.
- (2) The demolition and reconstruction of a single-family residence; provided, that the reconstructed residence shall not exceed either the floor area, height or bulk of the former structure by more than 10 percent, and that the reconstructed residence shall be sited in the same location on the affected property as the former structure.
- (3) Improvements to any structure which do not change the intensity of its use, which do not increase either the floor area, height, or bulk of the structure by more than 10 percent, which do not block or impede public access, and which do not result in a seaward encroachment by the structure.
- (4) The reconstruction or repair of any seawall; provided, however, that the reconstructed or repaired seawall is not a seaward of the location of the former structure.
- (5) Any repair or maintenance activity for which the commission has determined, pursuant to Section 30610, that a coastal development permit will be required unless the commission determines that the activity will have an adverse impact on lateral public access along the beach.

As used in this subdivision "bulk" means total interior cubic volume as measured from the exterior surface of the structure.

(c) Nothing in this division shall restrict public access nor shall it excuse the performance of duties and responsibilities of public agencies which are required by Sections 66478.1 to 66478.14, inclusive, of the Government Code and by Section 4 of Article X of the California Constitution.

Section 30212.5.

Wherever appropriate and feasible, public facilities, including parking areas or facilities, shall be distributed throughout an area so as to mitigate against the impacts, social and otherwise, of overcrowding or overuse by the public of any single area.

Section 30213.

Lower cost visitor and recreational facilities shall be protected, encouraged, and, where feasible, provided. Developments providing public recreational opportunities are preferred.

Neither the commission nor any regional commission shall either: (1) require that overnight room rentals be fixed at an amount certain for any privately owned and operated hotel, motel, or other similar visitor-serving facility located on either public or private lands; or (2) establish or approve any method for the identification of low or moderate-income persons for the purpose of determining eligibility for overnight room rentals in any such facilities.

Section 30214.

- (a) The public access policies of this article shall be implemented in a manner that takes into account the need to regulate the time, place, and manner of public access depending on the facts and circumstances in each case including, but not limited to, the following:
 - Topographic and geologic site characteristics.
- (2) The capacity of the site to sustain use and at what level of intensity.
- (3) The appropriateness of limiting public access to the right to pass and repass depending on such factors as the fragility of the natural resources in the area and the proximity of the access area to adjacent residential uses.
- (4) The need to provide for the management of access areas so as to protect the privacy of adjacent property owners and to protect the aesthetic values of the area by providing for the collection of litter.
- (b) It is the intent of the Legislature that the public access policies of this article be carried out in a reasonable manner that considers the equities and that balances the rights of the individual property owner with the public's constitutional right of access pursuant to Section 4 of Article X of the California Constitution. Nothing in this section or any amendment thereto shall be construed as a limitation on the rights guaranteed to the public under Section 4 of Article X of the California Constitution.
- (c) In carrying out the public access policies of this article, the commission, regional commissions, and any other responsible public agency shall consider and encourage the utilization of innovative access management techniques, including, but not limited to, agreements with private organizations which would minimize management costs and encourage the use of volunteer programs.

ARTICLE 3: RECREATION

Section 30220.

Coastal areas suited for water-oriented recreational activities that cannot readily be provided at inland water areas shall be protected for such uses.

Section 30221.

Oceanfront land suitable for recreational use shall be protected for recreational use and development unless present and forseeable future demand for public or commercial recreational activities that could be accommodated on the property is already adequately provided for in the area.

Section 30222.

The use of private lands suitable for visitor-serving commercial recreational facilities designed to enhance public opportunities for coastal recreation shall have priority over private residential, general industrial, or general commercial development, but not over agriculture or coastal-dependent industry.

Section 30222.5.

Ocean front land that is suitable for coastal dependent aquaculture shall be protected for that use, and proposals for aquaculture facilities located on those sites shall be given priority, except over other coastal dependent developments or uses.

Section 30223.

Upland areas necessary to support coastal recreational uses shall be reserved for such uses, where feasible.

Section 30224.

Increased recreational boating use of coastal waters shall be encouraged, in accordance with this division, by developing dry storage areas, increasing public launching facilities, providing additional berthing space in existing harbors, limiting non-water-dependent land uses that congest access corridors and preclude boating support facilities, providing harbors of refuge, and by providing for new boating facilities in natural harbors, new protected water areas, and in areas dredged from dry land.

ARTICLE 4: MARINE ENVIRONMENT

Section 30230.

Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.

Section 30231.

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.

Section 30232.

Protection against the spillage of crude oil, gas, petroleum products, or hazardous substances shall be provided in relation to any development or transportation of such materials. Effective containment and cleanup facilities and procedures shall be provided for accidental spills that do occur.

Section 30233.

- (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 in existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.
- (3) In wetland areas only, entrance channels for new or expanded boating facilities; and in a degraded wetland, identified by the Department of Fish and Game pursuant to subdivision (b) of Section 30411, for boating facilities if, in conjunction with such boating facilities, a substantial portion of the

degraded wetland is restored and maintained as a biologically productive wetland. The size of the wetland area used for boating facilities, including berthing space, turning basins, necessary navigation channels, and any necessary support service facilities, shall not exceed 25 percent of the degraded wetland.

- (4) 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.
- (5) 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.
- (6) Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.
 - (7) Restoration purposes.
 - (8) Nature study, aquaculture, or similar resource dependent activities.
- (b) Dredging and spoils disposal shall be planned and carried out to avoid significant disruption to marine and wildlife habitats and water circulation. Dredge spoils suitable for beach replenishment should be transported for such purposes to appropriate beaches or into suitable long shore current systems.
- (c) In addition to the other provisions of this section, diking, filling, or dredging in existing estuaries and wetlands shall maintain or enhance the functional capacity of the wetland or estuary. Any alteration of coastal wetlands identified by the Department of Fish and Game, including, but not limited to, the 19 coastal wetlands identified in its report entitled, "Acquisition Priorities for the Coastal Wetlands of California", shall be limited to very minor incidental public facilities, restorative measures, nature study, commercial fishing facilities in Bodega Bay, and development in already developed parts of south San Diego Bay, if otherwise in accordance with this division.

For the purposes of this section, "commercial fishing facilities in Bodega Bay" means that not less than 80 percent of all boating facilities proposed to be developed or improved, where such improvement would create additional berths in Bodega Bay, shall be designed and used for commercial fishing activities.

(d) Erosion control and flood control facilities constructed on water courses can impede the movement of sediment and nutrients which would otherwise be carried by storm runoff into coastal waters. To facilitate the continued delivery of these sediments to the littoral zone, whenever feasible, the material removed from these facilities may be placed at appropriate points on the shoreline in accordance with other applicable provisions of this division, where feasible mitigation measures have been provided to minimize adverse environmental effects. Aspects that shall be considered before issuing a coastal development permit for such purposes are the method of placement, time of year of placement, and sensitivity of the placement area.

Section 30234.

Facilities serving the commercial fishing and recreational boating industries shall be protected and, where feasible, upgraded. Existing commercial fishing and recreational boating harbor space shall not be reduced unless the demand for those facilities no longer exists or adequate substitute space has been provided. Proposed recreational boating facilities shall, where feasible, be designed and located in such a fashion as not to interfere with the needs of the commercial fishing industry.

Section 30235.

Revetments, breakwaters, groins, harbor channels, seawalls, cliff retaining walls, and other such construction that alters natural shoreline processes shall be permitted when required to serve coastal-dependent uses or to protect existing structures or public beaches in danger from erosion, and when designed to eliminate or mitigate adverse impacts on local shoreline sand supply. Existing marine structures causing water stagnation contributing to pollution problems and fish kills should be phased out or upgraded where feasible.

Section 30236.

Channelizations, dams, or other substantial alterations of rivers and streams shall incorporate the best mitigation measures feasible, and be limited to (i) necessary water supply projects, (2) flood control projects where no other method for protecting existing structures in the floodplain is feasible and where such protection is necessary for public safety or to protect existing development, or (3) developments where the primary function is the improvement of fish and wildlife habitat.

Section 30237.

(a) This section shall apply only to the Bolsa Chica wetlands or a portion thereof in the County of Orange.

The County of Orange or any landowner may petition the Department of Fish and Game, on or before October 1, 1983, to prepare a habitat conservation plan. Upon receipt of the petition, the Department of Fish and Game and the State Coastal Conservancy, in cooperation with the county and any landowner, shall jointly prepare a habitat conservation plan in order to carry out the following objectives:

- To provide for the conservation of the habitat of fish and wildlife resources.
- (2) To anticipate and resolve potential conflicts between the conservation of fish and wildlife resources or their habitat and actions by local, state, or federal agencies and private persons.
- (3) To provide for greater certainty and predictability regarding the conservation of fish and wildlife resources and their habitat and regarding private and public activities potential affecting those resources.

- (b) With respect to the preparation of the habitat conservation plan, the Department of Fish and Game shall be the lead agency for wetland identification purposes and the State Coastal Conservancy shall be the lead agency for the purposes of identifying land use alternatives. Upon completion of the habitat conservation plan and on or before July 20, 1984, the Department of Fish and Game and the State Coastal Conservancy shall jointly forward it to the commission for approval. The commission shall approve the plan if it finds it raises no substantial issue as to conformity with the planning and management policies of this chapter. If the plan is approved by the Commission, it may be incorporated into the county's local coastal program.
- (c) All costs of preparation of the habitat conservation plan, including, but not limited to, additional necessary personnel temporarily appointed by the Department of Fish and Game and the State Coastal Conservancy, shall be paid by the petitioner or petitioners. If additional personnel are necessary, the Department of Finance shall review the requests to ensure that the personnel required will be utilized to carry out only the purposes of this section. If the Department of Finance finds the additional personnel required will be utilized only to carry out the purposes of this section, the temporary appointment requests shall be processed and approved by the Department of Finance in an expedited fashion, in no event longer than 10 working days after the requests are made. Furthermore, these requests for temporary appointments shall be exempt from all state personnel hiring requirements, for the review provided in this subdivision by the Department of Finance, and from any personnel hiring limitations during the time period set forth in this section for the preparation of the habitat conservation plan.

ARTICLE 5: LAND RESOURCES

Section 30240.

- (a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on such resources shall be allowed within such areas.
- (b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade such areas, and shall be compatible with the continuance of such habitat areas.

Section 30241.

The maximum amount of prime agricultural land shall be maintained in agricultural production to assure the protection of the areas agricultural economy, and conflicts shall be minimized between agricultural and urban land uses through all of the following:

(a) By establishing stable boundaries separating urban and rural areas, including, where necessary, clearly defined buffer areas to minimize conflicts between agricultural and urban land uses.

- (b) By limiting conversions of agricultural lands around the periphery of urban areas to the lands where the viability of existing agricultural use is already severely limited by conflicts with urban uses or where the conversion of the lands would complete a logical and viable neighborhood and contribute to the establishment of a stable limit to urban development.
- (c) By permitting the conversion of agricultural land surrounded by urban uses where the conversion of the land would be consistent with Section 30250.
- (d) By developing available lands not suited for agriculture prior to the conversion of agricultural lands.
- (e) By assuring that public service and facility expansions and nonagricultural development do not impair agricultural viability, either through increased assessment costs or degraded air and water quality.
- (f) By assuring that all divisions of prime agricultural lands, except those conversions approved pursuant to subdivision (b), and all development adjacent to prime agricultural lands shall not diminish the productivity of such prime agricultural lands.

Section 30241.5

- (a) If the viability of existing agricultural uses is an issue pursuant to subdivision (b) of Section 30241 as to any local coastal program or amendment to any certified local coastal program submitted for review and approval under this division, the determination of "viability" shall include, but not be limited to, consideration of an economic feasibility evaluation containing at least both of the following elements:
- (1) An analysis of the gross revenue from the agricultural products grown in the area for the five years immediately preceding the date of the filing of a proposed local coastal program or an amendment to any local coastal program.
- (2) An analysis of the operational expenses, excluding the cost of land, associated with the production of the agricultural products grown in the area for the five years immediately preceding the date of the filing of a proposed local coastal program or an amendment to any local coastal program.

For purposes of this subdivision, "area" means a geographic area of sufficient size to provide an accurate evaluation of the economic feasibility of agricultural uses for those lands included in the local coastal program or in the proposed amendment to a certified local coastal program.

(b) The economic feasibility evaluation required by subdivision (a) shall be submitted to the commission, by the local government, as part of its submittal of a local coastal program or an amendment to any local coastal program. If the local government determines that it does not have the staff with the necessary expertise to conduct the economic feasibility evaluation, the evaluation may be conducted under agreement with the local government by a consultant selected jointly by local government and the executive director of the commission.

Section 30242.

All other lands suitable for agricultural use shall not be converted to nonagricultural uses unless (1) continued or renewed agricultural use is not feasible, or (2) such conversion would preserve prime agricultural land or concentrate development consistent with Section 30250. Any such permitted conversion shall be compatible with continued agricultural use on surrounding lands.

Section 30243.

The long-term productivity of soils and timberlands shall be protected, and conversions of coastal commercial timberlands in units of commercial size to other uses or their division into units of noncommercial size shall be limited to providing for necessary timber processing and related facilities.

Section 30244.

Where development would adversely impact archaeological or paleontological resources as identified by the State Historic Preservation Officer, reasonable mitigation measures shall be required.

ARTICLE 6: DEVELOPMENT

Section 30250.

- (a) New residential, commercial, or industrial development, except as otherwise provided in this division, shall be located within, contiguous with, or in close proximity to, existing developed areas able to accommodate it or, where such areas are not able to accommodate it, in other areas with adequate public services and where it will not have significant adverse effects, either individually or cumulatively, on coastal resources. In addition, land divisions, other than leases for agricultural uses, outside existing developed areas shall be permitted only where 50 percent of the usable parcels in the area have been developed and the created parcels would be no smaller than the average size of surrounding parcels.
- (b) Where feasible, new hazardous industrial development shall be located away from existing developed areas.
- (c) Visitor-serving facilities that cannot feasibly be located in existing developed areas shall be located in existing isolated developments or at selected points of attraction for visitors.

Section 30251.

The scenic and visual qualities of coastal areas shall be considered and protected as a resource of public importance. Permitted development shall be sited and designed to protect views to and along the ocean and scenic coastal areas, to minimize the alteration of natural land forms, to be visually

compatible with the character of surrounding areas, and, where feasible, to restore and enhance visual quality in visually degraded areas. New development in highly scenic areas such as those designated in the California Coastline Preservation and Recreation Plan prepared by the Department of Parks and Recreation and by local government shall be subordinate to the character of its setting.

Section 30252.

The location and amount of new development should maintain and enhance public access to the coast by (1) facilitating the provision or extension of transit service, (2) providing commercial facilities within or adjoining residential development or in other areas that will minimize the use of coastal access roads, (3) providing nonautomabile circulation within the development, (4) providing adequate parking facilities or providing substitute means of serving the development with public transportation, (5) assuring the potential for public transit for high intensity uses such as high-rise office buildings, and by (6) assuring that the recreational needs of new residents will not overload nearby coastal recreation areas by correlating the amount of development with local park acquisition and development plans with the provision of onsite recreational facilities to serve the new development.

Section 30253.

New development shall:

- (1) Minimize risks to life and property in areas of high geologic, flood, and fire hazard.
- (2) Assure stability and structural integrity, and neither create nor contribute significantly to erosion, geologic instability, or destruction of the site or surrounding area or in any way require the construction of protective devices that would substantially alter natural landforms along bluffs and cliffs.
- (3) Be consistent with requirements imposed by an air pollution control district or the State Air Resources Control Board as to each particular development.
 - (4) Minimize energy consumption and vehicle miles traveled.
- (5) Where appropriate, protect special communities and neighborhoods which, because of their unique characteristics, are popular visitor destination points for recreational uses.

Section 30254.

New or expanded public works facilities shall be designed and limited to accommodate needs generated by development or uses permitted consistent with the provisions of this division; provided, however, that it is the intent of the Legislature that State Highway Route 1 in rural areas of the coastal zone remain a scenic two-lane road. Special districts shall not be formed or expanded except where assessment for, and provision of, the service would not induce new development inconsistent with this division. Where existing or

planned public works facilities can accommodate only a limited amount of new development, services to coastal dependent land use, essential public services and basic industries vital to the economic health of the region, state, or nation, public recreation, commercial recreation, and visitor-serving land uses shall not be precluded by other development.

Section 30254.5.

Notwithstanding any other provision of law, the commission may not impose any term or condition on the development of any sewage treatment plant which is applicable to any future development that the commission finds can be accommodated by that plan consistent with this division. Nothing in this section modifies the provisions and requirements of Sections 30254 and 30412.

Section 30255.

Coastal-dependent developments shall have priority over other developments on or near the shoreline. Except as provided elsewhere in this division, coastal-dependent developments shall not be sited in a wetland. When appropriate, coastal-related developments should be accommodated within reasonable proximity to the coastal-dependent uses they support.

ARTICLE 7: INDUSTRIAL DEVELOPMENT

Section 30260.

Coastal-dependent industrial facilities shall be encouraged to locate or expand within existing sites and shall be permitted reasonable long-term growth where consistent with this division. However, where new or expanded coastal-dependent industrial facilities cannot feasibly be accommodated consistent with other policies of this division, they may nonetheless be permitted in accordance with this section and Sections 30261 and 30262 if (1) alternative locations are infeasible or more environmentally damaging; (2) to do otherwise would adversely affect the public welfare; and (3) adverse environmental effects are mitigated to the maximum extent feasible.

Section 30261.

Multicompany use of existing and new tanker facilities shall be encouraged to the maximum extent feasible and legally permissible, except where to do so would result in increased tanker operations and associated onshore development incompatible with the land use and environmental goals for the area. New tanker terminals outside of existing terminal areas shall be situated as to avoid risk to environmentally sensitive areas and shall use a monobuoy system, unless an alternative type of system can be shown to be environmentally preferable for a specific site. Tanker facilities shall be designed to (1) minimize the total volume of oil spilled, (2) minimize the risk of collision from movement of other vessels, (3) have ready access to the most effective feasible containment and recovery equipment for oilspills, and (4) have onshore deballasting facilities to receive any fouled ballast water from tankers where operationally or legally required.

Section 30262.

- Oil and gas development shall be permitted in accordance with Section 30260, if the following conditions are met:
- (a) The development is performed safely and consistent with the geologic conditions of the well site.
- (b) New or expanded facilities related to such development are consolidated, to the maximum extent feasible and legally permissible, unless consolidation will have adverse environmental consequences and will not significantly reduce the number of producing wells, support facilities, or sites required to produce the reservoir economically and with minimal environmental impacts.
- (c) Environmentally safe and feasible subsea completions are used when drilling platforms or islands would substantially degrade coastal visual qualities unless use of such structures will result in substantially less environmental risks.
- (d) Platforms or islands will not be sited where a substantial hazard to vessel traffic might result from the facility or related operations, determined in consultation with the United States Coast Guard and the Army Corps of Engineers.
- (e) Such development will not cause or contribute to subsidence hazards unless it is determined that adequate measures will be undertaken to prevent damage from such subsidence.
- (f) With respect to new facilities, all oilfield brines are reinjected into oil-producing zones unless the Division of Oil and Gas of the Department of Conservation determines to do so would adversely affect production of the reservoirs and unless injection into other subsurface zones will reduce environmental risks. Exceptions to reinjections will be granted consistent with the Ocean Waters Discharge Plan of the State Water Resources Control Board and where adequate provision is made for the elimination of petroleum odors and water quality problems.

Where appropriate, monitoring programs to record land surface and near-shore ocean floor movements shall be initiated in locations of new large-scale fluid extraction on land or near shore before operations begin and shall continue until surface conditions have stabilized. Costs of monitoring and mitigation programs shall be borne by liquid and gas extraction operators.

Section 30263.

(a) New or expanded refineries or petrochemical facilities not otherwise consistent with the provisions of this division shall be permitted if (1) alternative locations are not feasible or are more environmentally damaging; (2) adverse environmental effects are mitigated to the maximum extent feasible; (3) it is found that not permitting such development would adversely affect the public welfare; (4) the facility is not located in a highly scenic or seismically hazardous area, on any of the Channel Islands, or within or contiguous to environmentally sensitive areas; and (5) the facility is sited so as to provide a sufficient buffer area to minimize adverse impacts on surrounding property.

- (b) In addition to meeting all applicable air quality standards, new or expanded refineries or petrochemical facilities shall be permitted in areas designated as air quality maintenance areas by the State Air Resources Board and in areas where coastal resources would be adversely affected only if the negative impacts of the project upon air quality are offset by reductions in gaseous emissions in the area by the users of the fuels, or, in the case of an expansion of an existing site, total site emission levels, and site levels for each emmission type for which national or state ambient air quality standards have been established do not increase.
- (c) New or expanded refineries or petrochemical facilities shall minimize the need for once-through cooling by using air cooling to the maximum extent feasible and by using treated waste waters from inplant processes where feasible.

Section 30264.

Notwithstanding any other provision of this division, except subdivisions (b) and (c) of Section 30413, new or expanded thermal electric generating plants may be constructed in the coastal zone if the proposed coastal site has been determined by the State Energy Resources Conservation and Development Commission to have greater relative merit pursuant to the provisions of Section 25516.1 than available alternative sites and related facilities for an applicant's service area which have been determined to be acceptable pursuant to the provisions of Section 25516.

Section 30265.

The Legislature finds and declares all of the following:

- (a) Offshore oil production will increase dramatically in the next 10 years from the current 80,000 barrels per day to over 400,000 barrels per day.
- (b) Transportation studies have concluded that pipeline transport of oil is generally both economically feasible and environmentally preferable to other forms of crude oil transport.
- (c) Oil companies have proposed to build a pipeline to transport offshore crude oil from central California to southern California refineries, and to transport offshore oil to out-of-state refiners.
- (d) California refineries would need to be retrofitted if California offshore crude oil were to be used directly as a major feedstock. Refinery modifications may delay achievement of air quality goals in the southern California air basin and other regions of the state.
- (e) The County of Santa Barbara has issued an Oil Transportation Plan which assesses the environmental and economic differences among various methods for transporting crude oil form offshore California to refineries.
- (f) The Governor should help coordinate decisions concerning the transport and refining of offshore oil in a manner which considers state and local studies undertaken to date, which fully addresses the concerns of all affected regions, and which promotes the greatest benefits to the people of the state.

Section 30265.5.

- (a) The Governor, or the Governor's designee, shall coordinate activities concerning the transport and refining of offshore oil. Coordination efforts shall consider public health risks, the ability to achieve short—and long-term air emission reduction goals, the potential for reducing California's vulnerability and dependence on oil imports, economic development and jobs, and other factors deemed important by the Governor, or the Governor's designees.
- (b) The Governor, or the Governor's designee, shall work with state and local agencies, and the public, to facilitate the transport and refining of offshore oil in a manner which will promote the greatest public health and environmental and economic benefits to the people of the State.
- (c) The Governor, or the Governor's designee, shall consult with any individual or organization having knowledge in this area, including, but not limited to representatives from the following:
- (1) State Energy Resources Conservation and Development Commission; (2) State Air Resources Board; (3) California Coastal Commission; (4) Department of Fish and Game; (5) State Lands Commission; (6) Public Utilities Commission; (7) Santa Barbara County; (8) Santa Barbara County Air Pollution Control District; (9) Southern California Association of Governments; (10) South Coast Air Quality Management Districts; (11) Oil industry; (12) Public interest groups; (13) United States Department of the Interior; (14) United States Department of Energy; (15) United States Environmental Protection Agency; (16) National Oceanic and Atmospheric Administration; and (17) United States Coast Guard.
- (d) This act is not intended, and shall not be construed, to decrease, duplicate, or supersede the jurisdiction, authority, or responsibilities of any local government, or any state agency or commission, to discharge its responsibilities concerning the transportation and refining of oil.

OTHER COASTAL ACT POLICIES CITED

[Note: Coastal Act chapter is cited after the policy number.]

Section 30001. [Findings and Declarations and General Provisions Chapter]

The Legislature hereby finds and declares:

- (a) That the California coastal zone is a distinct and valuable natural resource of vital and enduring interest to all the people and exists as a delicately balanced ecosystem.
- (b) That the permanent protection of the state's natural and scenic resources is a paramount concern to present and future residents of the state and nation.
- (c) That to promote the public safety, health, and welfare, and to protect public and private property, wildlife, marine fisheries, and other ocean resources, and the natural environment, it is necessary to protect the

ecological balance of the coastal zone and prevent its deterioration and destruction.

(d) That existing developed uses, and future developments that are carefully planned and developed consistent with the policies of this division, are essential to the economic and social well-being of the people of this state and especially to working persons employed within the coastal zone.

Section 30001.2. [Findings and Declarations and General Provisions Chapter]

The Legislature further finds and declares that, notwithstanding the fact electrical generating facilities, refineries, and coastal-dependent developments, including ports and commercial fishing facilities, offshore petroleum and gas development, and liquefied natural gas facilities, may have significant adverse effects on coastal resources or coastal access, it may be necessary to locate such developments in the coastal zone in order to ensure that inland as well as coastal resources are preserved and that orderly economic development proceeds within the state.

Section 30001.5. [Findings and Declarations and General Provisions Chapter]

The Legislature further finds and declares that the basic goals of the state for the coastal zone are to:

- (a) Protect, maintain, and where feasible, enhance and restore the overall quality of the coastal zone environment and its natural and artificial resources.
- (b) Assure orderly, balanced utilization and conservation of coastal zone resources taking into account the social and economic needs of the people of the state.
- (c) Maximize public access to and along the coast and maximize public recreational opportunities in the coastal zone consistent with sound resources conservation principles and constitutionally protected rights of private property owners.
- (d) Assure priority for coastal-dependent and coastal-related development over other development on the coast.
- (e) Encourage state and local initiatives and cooperation in preparing procedures to implement coordinated planning and development for mutually beneficial uses, including educational uses, in the coastal zone.

Section 30007.5. [Findings and Declarations and General Provisions Chapter]

The Legislature further finds and recognizes that conflicts may occur between one or more policies of the division. The Legislature therefore declares that in carrying out the provisions of this division such conflicts be resolved in a manner which on balance is the most protective of significant coastal resources. In this context, the Legislature declares that broader policies which, for example, serve to concentrate development in close proximity to urban and employment centers may be more protective, overall, than specific wildlife habitat and other similar resource policies.

Section 30008. [Findings and Declarations and General Provisions Chapter]

This division shall consititute California's coastal zone management program within the coastal zone for purposes of the Federal Coastal Zone Management Act of 1972 (16 USC 1451, et seq.) and any other federal act heretofore or hereafter enacted or amended that relates to the planning or management of coastal zone resources; provided, however, that within federal lands excluded from the coastal zone pursuant to the federal Coastal Zone Management Act of 1972, the State of California shall, consistent with applicable federal and state laws, continue to exercise the full range of powers, rights, and privileges it now possesses or which may be granted.

Section 30101. [Definitions Chapter]

"Coastal-dependent development or use" means any development or use which requires a site on, or adjacent to, the sea to be able to function at all.

Section 30412 [State Agencies Chapter]

- (a) In addition to the provisions set forth in Section 13142.5 of the Water Code, the provisions of this section shall apply to the commission and the State Water Resources Control Board and the California regional water quality control boards.
- (b) The State Water Resources Control Board and the California regional quality control boards are the state agencies with responsibility for the coordination and control of water quality. The State Resources Control Board has primary responsibility for administration of water rights pursuant to applicable law. The commission shall assure that proposed development and local coastal programs shall not frustrate the provisions of this section. Neither the commission nor any regional commission shall, except as provided in subdivision (c), modify, adopt conditions, or take any action in conflict with any determination by the State Water Resources Control Board or any California regional water quality control board in matters relating to water quality or the administration of water rights.

Except as provided in this section, nothing herein shall be interpreted in any way either as prohibiting or limiting the commission, regional commission, local government, or port governing body from exercising the regulatory controls over development pursuant to this division in a manner necessary to carry out the provisions of this division.

- (c) Any development within the coastal zone or outside the coastal zone which provides service to any area within the coastal zone that constitutes a treatment work shall be reviewed by the commission and any permit it issues, if any, shall be determinative only with respect to the following aspects of such development:
- (1) The siting and visual appearance of treatment works within the coastal zone.
- (2) The geographic limits of service areas within the coastal zone which are to be served by particular treatment works and the timing of the use of

capacity of treatment works for such service areas to allow for phasing of development and use of facilities consistent with this division.

(3) Development projections which determine the sizing of treatment works for providing service within the coastal zone.

The commission shall make these determinations in accordance with the policies of this division and shall make its final determination on a permit application for a treatment work prior to the final approval by the State Water Resources Control Board for the funding of such treatment works. Except as specifically provided in this subdivision, the decisions of the State Water Resources Control Board relative to the construction of treatment works shall be final and binding upon the commission and any regional commission.

- (d) The commission shall provide or require reservations of sites for the construction of treatment works and points of discharge within the coastal zone adequate for the protection of coastal resources consistent with the provisions of this division.
- (e) Nothing in this section shall require the State Water Resources Control Board to fund or certify for funding, any specific treatment works within the coastal zone or to prohibit the State Water Resources Control Board or any California regional water quality control board from requiring a higher degree of treatment at any existing treatment works.

Section 30414. [State Agencies Chapter]

- (a) The State Air Resources Board and air pollution control districts established pursuant to state law and consistent with requirements of federal law are the principal public agencies responsible for the establishment of ambient air quality and emission standards and air pollution control programs. The provisions of this division do not authorize the commission or any local government to establish any ambient air quality standard or emission standard, air pollution control program or facility, or to modify any ambient air quality standard, emission standard, or air pollution control program or facility which has been established by the state board or by an air pollution control district.
- (b) Any provision of any certified local coastal program which establishes or modifies any ambient air quality standard, any emission standard, any air pollution control program or facility shall be inoperative.
- (c) The State Air Resources Board and any air pollution control district may recommend ways in which actions of the commission or any local government can complement or assist in the implementation of established air quality programs.

Section 30703. [Ports Chapter]

The California commercial fishing industry is important to the State of California; therefore, ports shall not eliminate or reduce existing commercial fishing harbor space, unless the demand for commercial fishing facilities no longer exists or adequate alternative space has been provided. Proposed recreational boating facilities within port areas shall, to the extent it is feasible to do so, be designed and located in such a fashion as not to interfere with the needs of the commercial fishing industry.

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