CALIFORNIA COASTAL COMMISSION
45 FREMONT, SUITE 2000
SAN FRANCISCO, CA 94105-2219
VOICE AND TDD (415) 904-5200

W6b

RECORD PACKET COPY

Date Filed:	November 2, 1995
49th Day:	December 21, 1996
180th Day:	April 30, 1995
Staff:	MBM-SF
Staff Report:	November 2, 1995
Hearing Date:	November 15 1995
Item No.:	W-6b
Commission Action:	
Commission Vote:	

STAFF REPORT: REGULAR CALENDAR

Application No.:	**E-95-03**
Applicant:	**Chevron Pipe Line Company**
Agent:	Fugro West, Inc.
Project Location:	On beach areas west of Chevron Estero Marine Terminal and U.S. Highway 1, between the Cities of Cayucos and Morro Bay, San Luis Obispo County. (Exhibits 1 & 2)
Project Description:	(1) Trenching to redirect the mouth of Toro Creek to a more northern outlet; (2) placement of sand across a section of Toro Creek to divert it away from pipelines that cross the beach; and (3) excavation, inspection, repair and re-burial of sections of two oil pipelines which have suffered external coating damage.
Local Approvals:	Waived
Substantive File Documents:	Appendix B

SYNOPSIS

Chevron's Estero Marine Terminal is located in and adjacent to Estero Bay, San Luis Obispo County, between the Cities of Cayucos and Morro Bay. Two oil pipelines that connect the marine terminal's berths to its upland facilities cross under the beach, along with a treated water outfall line. The outlet of Toro Creek lies west of the Estero Terminal Facility and U.S. Highway 1. (Exhibits 1 & 2).

During Winter 1994/5, heavy storms, wave action, and the diversion to the south of the mouth of Toro Creek exposed all the pipelines and caused damage to their external coatings. As of October, 1995, the mouth of Toro Creek was closed, creating a lagoon that extended across the beach and encompassed a section of one oil pipeline. (Exhibit 3). The other two lines are now fully covered with sand.

Chevron proposes (1) to dig a trench to redirect the mouth of Toro Creek to a more northern outlet; (2) to place sand across a "finger" of the lagoon to divert water away from pipelines that cross the beach; and (3) to excavate, inspect, repair, and re-bury sections of the two oil pipelines that have suffered external coating damage. (See Exhibit 3, labeled "Proposed Toro Creek Outlet" and "Proposed Sand Berm"). Both pipelines will be excavated for a length of approximately 80 feet. Some of the excavated material will be placed in the lagoon, north of the pipelines, to prevent creek flow from reaching the lines. Each pipeline's coating will then be inspected and a new coating applied as necessary. Finally, the pipe trenches will be backfilled with the excavated material and the beach contours restored. Per pipeline, about 2,560 square feet of surface area will be disturbed by excavation and approximately 355 cubic yards of material will be removed. In total, approximately 710 cubic yards of sand will be excavated and backfilled.

Proposed project activities will be performed as soon as possible, but no later than January 31, 1996. The project will be completed in seven work days.

The proposed project would increase the integrity of the oil pipelines, as they were not designed to operate while corroded and/or exposed. Potential adverse impacts of the proposed project and measures to avoid or mitigate those impacts are summarized in Table 1. With the short (seven work day) duration of project activities and implementation of all special conditions and Chevron's proposed mitigation measures, the staff believes that the project as conditioned is consistent with Coastal Act policies. Therefore, the staff recommends that the Commission approve the project as conditioned.

Significant Issue Area	Proposed Mitigation Measures
<u>Sensitive Species</u>. Activities could disturb Western snowy plovers, tidewater gobies, or steelhead trout.	**Special Condition 6** requires Chevron to complete all work by January 31, 1996, before steelhead trout may enter Toro Creek. This condition also ensures that all work will be completed outside of the nesting season (March through September) of the Western snowy plover. Chevron will not drain the lagoon created by Toro Creek, which provides potential habitat for tidewater gobies. **Special Condition 2** requires Chevron to retain an approved biological monitor, who will conduct a visual survey of the lagoon to confirm the absence of tidewater gobies before commencement of project work. (Exhibit 3). If tidewater gobies are found, Chevron will not commence work and will immediately notify the Executive Director of the Coastal Commission.
<u>Public Access, Recreation, and Site Safety</u>. Equipment and open trenches could create safety hazards to persons recreating on the beach.	Chevron will delineate the work area with construction barricades and plastic warning tape; any open trenches, equipment, or materials that remain at the end of a work period will be enclosed. Chevron personnel will escort beachgoers safely across the work area if there is not sufficient room for them to cross between the work area and the ocean. A security guard will secure the work area during all non-working hours. During periods of high tide that coincide with non-working hours, Chevron will stage all equipment and supplies in the fenced area south of the work area (Exhibit 3, labeled "Parking Area") or at the marine terminal.
<u>Oil Spills</u>. Some crude oil remains in the pipelines even while they are idle. An accidental release could occur while Chevron conducts pipeline excavation, inspection, repair, and reburial activities.	**Special Condition 5** requires Chevron to suspend all oil transfers through the pipelines throughout the duration of the project. Chevron will maintain the oil pipelines under a continuous vacuum system while they are idle. Chevron will implement measures designed to avoid inadvertently striking the lines during excavation, and will keep a temporary pipe clamp onsite to immediately seal any pipeline puncture.
<u>Future Pipeline Exposure</u>. Toro Creek could uncover the pipelines again in the future, exposing them to damage and risk of puncture.	Chevron proposes to monitor pipeline cover and creek status. **Special Condition 7(a)** requires Chevron to continue monitoring as long as the Estero Marine Terminal remains in operation <u>or</u> until such time that the Executive Director indicates that the monitoring program will be modified or terminated. **Special Condition 7(b)** requires that Chevron immediately notify appropriate agencies upon discovery of (1) any situation that poses eminent danger to the oil loading lines, (2) active erosion of pipeline cover, or (3) any exposure of the oil loading lines. **Special Condition 7(c)** requires that should any pipeline repair activity arise from exposure of a pipeline and require a coastal development permit in the future, all oil transfer operations involving the pipeline will remain suspended until such time that the necessary permit can be acquired through the regular (non-emergency) process.

Table 1. Issue summary: Significant issue areas & proposed mitigation measures.

1.0 STAFF RECOMMENDATION

The staff recommends that the Commission adopt the following resolution:

APPROVAL WITH CONDITIONS

The Commission hereby grants a permit, subject to the conditions below, for the proposed development on the grounds that the development, as conditioned, will be in conformity with the provisions of Chapter 3 of the California Coastal Act of 1976, will not prejudice the ability of the local government having jurisdiction over the area to prepare a Local Coastal Program (LCP) conforming to the provisions of Chapter 3 of the Coastal Act, and as conditioned will not have any significant adverse impacts on the environment within the meaning of the California Environmental Quality Act.

2.0 STANDARD CONDITIONS Appendix A

3.0 SPECIAL CONDITIONS

This permit is granted subject to the following special conditions:

1. Prior to commencement of project activities, Chevron shall submit to the Executive Director a final copy of all permits or approvals required for this project by (1) the County of San Luis Obispo Department of Planning & Building, (2) the Regional Water Quality Control Board, Central Coast Region, and (3) the U.S. Army Corps of Engineers.

2. Prior to commencement of project activities, Chevron shall obtain a biological monitor approved by the Executive Director of the Coastal Commission in consultation with the County of San Luis Obispo (the County), the California Department of Fish & Game (CDFG), and the U.S. Fish & Wildlife Service (USFWS), who will conduct a visual survey of the lagoon and lower reaches of Toro Creek to confirm the absence of tidewater gobies. The monitor shall submit a report of the survey results to the Executive Director. If tidewater gobies are found to be present in the project area, Chevron will not commence work and will immediately notify the Executive Director of the Coastal Commission, the County, the CDFG, the USFWS, and the U.S. Army Corps of Engineers. These agencies will then determine appropriate action.

3. Chevron shall only trench to divert Toro Creek to an outlet north of the pipelines if the flow of Toro Creek re-establishes itself across the pipelines and to the ocean before Chevron completes pipeline repair activities. Should trenching become necessary, Chevron shall notify the Executive Director of the Coastal Commission, the County of San Luis Obispo, and the U.S. Army

Corps of Engineers before commencing project activities. The dimensions of the excavation will not deviate from those described in section 4.2.1 of this report.

4. Chevron shall retain and abide by the directives of cultural resource monitors approved by the Executive Director of the Coastal Commission in consultation with the County of San Luis Obispo (the County) while conducting all phases of earth-disturbing activities. If a cultural resource is found, Chevron shall immediately stop work in that area and notify the Executive Director and the County. After the resource is evaluated, these agencies will determine appropriate action. Upon project completion, the cultural resource monitor shall submit a summary of the monitoring results to the Executive Director of the Coastal Commission.

5. Chevron shall suspend all oil transfer through the Berth Nos. 1 and 2 loading lines throughout the duration of the project.

6. All project activities must be completed no later than January 31, 1996.

7. (a). Chevron shall continue to conduct monitoring of pipeline cover and creek status as long as the Estero Marine Terminal remains in operation or until such time that the Executive Director indicates that the monitoring program shall be modified or terminated.

   (b). Should Chevron discover (1) any situation that poses eminent danger to the oil loading lines, (2) active erosion of pipeline cover, or (3) any exposure of the oil loading lines while monitoring, Chevron shall immediately notify the Executive Director of the Coastal Commission and the following other agencies: the City of Morro Bay, the County of San Luis Obispo Department of Planning & Building, the Regional Water Quality Control Board, Central Coast Region, the California Department of Fish & Game's Office of Oil Spill Prevention & Response, the California State Lands Commission, and the U.S. Army Corps of Engineers.

   (c). Should any pipeline repair activity that arises from exposure of a pipeline and that requires a coastal development permit become necessary in the future, all oil transfer operations involving the pipeline shall remain suspended until such time that the necessary permit can be acquired through the regular (non-emergency) process.

4.0 FINDINGS AND DECLARATIONS

4.1 Background

4.1.1 Project Location and Facility Description

Chevron's Estero Marine Terminal is located in and adjacent to Estero Bay, San Luis Obispo County, between the Cities of Cayucos and Morro Bay. The outlet of Toro Creek lies west of the Estero Terminal Facility and U.S. Highway 1. The project area, which will encompass about 70,000 square feet of beach, will be located about 150 feet west of the highway. (Exhibits 1 & 2).

The terminal has been in continuous operation since 1929. The facility receives crude oil by pipeline from the San Joaquin Valley and San Ardo fields, which is then shipped to refineries along the west coast of California. Typically, tanker transfer occurs every third day on average (120 tanker calls per year). The facility consists of a Hill Plant for crude oil storage; a Shore Plant with oil handling, control, and emergency equipment; and a Ship Loading Plant with a two-berth marine terminal, each with underwater pipes and mooring buoys. Two pipelines (the 18-inch Berth No. 1 and the 20-inch Berth No. 2 loading lines) that connect the marine terminal to the upland facilities cross under the beach, along with a 16-inch treated water outfall line. The Berth Nos. 1 and 2 loading lines were installed in 1961 and 1983, respectively.

4.1.2 Project History

The winter of 1994/5 brought heavy storms that altered the shoreline at the Estero Marine Terminal and caused the mouth of Toro Creek to divert south along the beach, across the terminal's pipelines.

On April 21, 1995, Chevron first requested an emergency permit from the Coastal Commission to redirect the flow of Toro Creek and repair a section of a pipeline (the Berth No. 2 loading line) that had become exposed due to severe tidal forces, increased runoff, and the altered course of Toro Creek. Chevron based its request on the potential that the line could fail, as it was not designed to operate while corroded and/or exposed and was susceptible to damage from floating debris. *(Letter from Joe Gonzalez, Chevron, to Susan Hansch, CCC, April 21, 1995)*

However, in the spring of 1995, while Chevron was revising its emergency permit project description to address further changes in the beach profile (and the exposure of a second pipeline, the Berth No. 1 loading line), the urgency of the situation was alleviated due to the decreased flow of Toro Creek and the start of sand accretion associated with the summer beach profile. By June, 1995, the situation no longer constituted an emergency as defined by the Commission's administrative regulations.

The Commission staff notified Chevron of the change in emergency status and requested that Chevron submit an application for a regular coastal development permit (CDP). In addition, the staff expressed concern that Chevron's proposal may only be a temporary fix, and encouraged Chevron's pursuit of a long-term solution. *(Letter from Moira McEnespy, CCC, to Joe Gonzalez and Eric Kauffman, Chevron, June 20, 1995)*

On August 21, 1995, the Commission staff again expressed concern to Chevron that the pipelines be adequately protected before the next series of seasonal storms, pending a more comprehensive, long-range solution. *(Letter from Moira McEnespy, CCC, to Joe Gonzales and John Paulson, Chevron, August 21, 1995)* On September 8, 1995, Chevron submitted an application for a regular CDP.

4.2 Project Description

As of October, 1995, the mouth of Toro Creek was closed, creating a lagoon on the beach west of Highway 1; a 40-foot long "finger" of this lagoon extends over a section of one oil loading line. (Exhibit 3). The other two pipelines had been fully covered with sand.

Chevron proposes (1) to place sand across the "finger" of the lagoon that extends over the oil loading line to divert water away from pipelines that cross the beach (Exhibit 3, labeled "Proposed Sand Berm"); and (2) excavate, inspect, repair, and re-bury sections of the Berth Nos. 1 and 2 oil loading lines that have suffered external coating damage.

Chevron will expose each oil loading line for approximately 80 feet, creating an open trench 32 feet wide at the surface that slopes to a depth of six feet. Per pipeline, about 2,560 square feet of surface area will be disturbed by excavation. The spoil material will be deposited along one or both sides of the trench; material from alongside the Berth No. 2 loading line will be placed in the creek just north of the Berth No. 2 loading line to block the creek from flowing across the pipelines. The excavated pipelines will be supported in the trenches on timbers. Groundwater that accumulates in the trenches will be removed using multiple mud pumps or a well point system, and will be discharged to the ocean.

Each pipeline will be inspected visually and electrically, by a hand-held testing device, to identify coating failure. If coating repairs are needed, the disbonded coating will be removed with hand tools (as the coating on the Berth No. 1 loading line contains a small percentage of asbestos, removal will be performed by a licensed asbestos removal contractor), the pipe sandblasted, and the selected coating system applied. After the coating has cured, the pipe trench will be backfilled with the native material and the beach contours restored. In total, approximately 710 cubic yards of sand will be excavated and backfilled. The removed coating will be accumulated and placed in appropriate containers before being removed from the work site and properly disposed.

Chevron will begin work at the most easterly portions of the work area at high tide and progress to the west as low tide occurs. Because some project activities will coordinate with periods of low tides, to minimize water intrusion into the work area, some work may occur at night.

Chevron has determined that the treated water outfall line will not require recoating because it is a gravity flow line with no internal pressure and the pipe medium is treated water.

4.2.1 Diversion of Toro Creek to an Outlet North of the Pipelines

In the event that Toro Creek reestablishes its flow across the pipelines and to the ocean before Chevron completes pipeline repair activities, Chevron will divert Toro Creek to an outlet north of the Berth No. 2 oil loading line by cutting a channel from the north end of the lagoon to the ocean. The trench will be created at the onset of project activities. The excavation will be approximately 50 feet long, ten feet wide, and two feet deep, requiring removal of about 37 cubic yards of material. The spoils will be placed in Toro Creek, north of the Berth No. 2 oil loading line to help block the creek from flowing over the pipelines. **Special Condition 3** specifies when trenching is authorized, requires Chevron to notify the Executive Director of the Coastal Commission before commencement of trenching activities, should they become necessary, and limits the excavation dimensions to as specified in this section.

4.2.2 Equipment and Site Access

Equipment will consist of one CAT 235 wide track excavator (or equivalent), one CAT D4 bulldozer (or equivalent), one tool/equipment truck, one utility pick-up truck, air compressors, sandblasting equipment (including a sand pot, hoses and nozzle), mud pumps, generators for electric power, portable lighting and miscellaneous hand and power tools.

Chevron will access the work site from the south gate of the fenced enclosure on the west side of Highway 1. The equipment will reach the beach and turn north to access the work site. (Exhibit 3, labeled "Parking Area" and "Access Route").

4.2.3 Site Safety Measures

Chevron will delineate the work area with construction barricades and plastic warning tape; any open trenches, equipment, or materials that remain at the end of a work period will be enclosed. A security guard will secure the work area during all non-working hours. During periods of high tide that coincide with non-working hours, Chevron will stage all equipment and supplies in the fenced area south of the work area (Exhibit 3, labeled "Parking Area") or at the marine terminal.

During working hours, Chevron personnel will escort beachgoers safely across the work area if there is not sufficient room for them to cross between the work area and the ocean.

4.2.4 Project Schedule

Chevron will complete the project in seven work days. **Special Condition 6** requires that all work be completed no later than January 31, 1996, to avoid affecting steelhead trout which are present in Toro Creek February through April.

4.2.5 Future Pipeline Exposure

To address the possibility that the lines may become exposed in the future, Chevron has elected to monitor pipeline cover and creek status. Monitoring will be documented by the terminal's Loading Operator (Terminal Person in Charge), who will serve as one of the primary monitors. Monitoring will consist of visual inspection of the pipeline area for any evidence of soil displacement, or changes in creek flow rate or pattern. Monitoring will be conducted within 24 hours of all cargo transfers and on a weekly basis, increased to a daily basis during extended or heavy storm periods. If Chevron determines that any pipeline is at risk of damage, Chevron will shut down loading operations until such time that appropriate action can be taken to ensure their integrity.

4.3 Other Related State and Local Approvals

4.3.1 County of San Luis Obispo Department of Planning and Building (the County)

The County requested that the Coastal Commission waive the requirement for preliminary local government approval due to (1) the timing of the applicant's submittal of applications to both the County and the Coastal Commission, (2) the minimum length of time required to process each application, incorporating each agency's respective public review and hearing schedules, and (3) the desire that the pipelines be repaired before the upcoming storm season in order to best protect coastal resources. *(Letter from James Caruso, County of San Luis Obispo Planning & Building to Moira McEnespy, CCC, October 25, 1995).* Therefore, pursuant to the Coastal Commission's administrative regulations *(14 CCR Section 13053(a)(1,4))*, the County is processing a Minor Use Permit concurrent with the Coastal Commission's review. **Special Condition 1** requires Chevron to submit to the Executive Director prior to commencement of project activities a final copy of all permits required by the County.

4.3.2 Regional Water Quality Control Board, Central Coast Region (RWQCB)

Chevron applied to the Regional Water Quality Control Board, Central Coast Region for a water quality certification or waiver under Section 401 of the Clean

Water Act of 1972 *(33 U.S.C 1344)* for the proposed project during the week of October 16, 1995. The RWQCB staff has analyzed the proposed project and expects to issue a letter stating that the RWQCB will not take any action on the proposed project (i.e., a waiver) upon receipt of evidence from the applicant that the California Environmental Quality Act has been complied with. *(Personal communication with Sorrel Marks, RWQCB, November 2, 1995).* **Special Condition 1** requires Chevron to submit to the Executive Director prior to commencement of project activities a final copy of all permits required by the RWQCB.

4.3.3 California Department of Fish & Game (CDFG)

The applicant and the CDFG entered into an Agreement Regarding Proposed Stream or Lake Alteration for the elements of the proposed project that will affect Toro Creek. The agreement stipulates that work must be completed before February, 1996, in order to avoid impacting steelhead trout.

4.3.4 U.S. Army Corps of Engineers (ACOE)

The ACOE issued a Public Notice of Permit Application (No. 95-50254-TAW) in May, 1993, under Section 10 of the Rivers and Harbors Act of March 3, 1899 *(33 U.S.C. 403)* and Section 404 of the Clean Water Act of 1972 *(33 U.S.C 1344)*, and received no objections to issuing a permit for the project as proposed in May. The ACOE has since determined that the applicant's updated project description has not changed significantly from the original submittal, and is processing the updated application for a Department of the Army permit under a new number (No. 95-50387-TAW). **Special Condition 1** requires Chevron to submit to the Executive Director prior to commencement of project activities a final copy of all permits required by the ACOE.

4.4 Coastal Act Issues

4.4.1 Marine Resources/Oil Spills

Section 30240(a) of the Coastal Act states:

> *Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas.*

Section 30230 of the Coastal Act states:

> *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 of the Coastal Act states:

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

Section 30232 of the Coastal Act states:

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.

Marine resource issues that are examined in this permit request include the potential impacts of the proposed project on sensitive species and habitat areas; the potential for an oil spill during pipeline excavation, inspection, repair, and reburial activities; and the potential for future pipeline exposure.

4.4.1.1 Sensitive Species and Habitat Areas

Project activities would be located on sandy beach within an area that encompasses the mouth of Toro Creek, a biologically sensitive area as designated by the City of Morro Bay. The project site provides nesting habitat for the Western snowy plover (*Charadruis alexandrinus nivosus*), which is listed as federally threatened and a State Species of Special Concern. The nesting season is March through September; Chevron discovered active nests in the vicinity of the proposed project during a field survey conducted in the 1995 nesting season. The site is also within an area proposed as critical habitat for this species.

Steelhead trout *(Salmo gairdneri gairdneri)* inhabit Toro Creek during the months of February through April. In addition, the lower reaches of Toro Creek provide suitable habitat for the California red-legged frog *(Rana aurora draytonii)* and the Southwestern pond turtle *(Clemmys marmorata pallida)*, both State Species of Special Concern candidates for federal listing, and the federally endangered tidewater goby *(Eucyclogobius newberryi)*,. The presence of the Southwestern pond

turtle has been confirmed in Toro Creek upstream from the Highway 1 bridge, outside of the project area. A visual survey for tidewater gobies was conducted in the lagoon mouth and lower portion of Toro Creek last Spring, but none were found. *(Survey conducted by Norm Scott, U.S. Biological Survey, May, 1995).*

The proposed pipeline repair project would increase the integrity of the oil pipelines, as they were not designed to operate while corroded and/or exposed. Thus, the proposed project seeks to implement the policies found in Coastal Act Sections 30230, 30231, and 30240(a). Specifically, the proposed project follows their directives to maintain marine resources and the biological productivity and quality of coastal waters and streams, to protect areas and species of special biological significance, and to enable the use of the marine environment--which is in this case to support an existing marine terminal (installed prior to the Coastal Act)--to 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.

While the purpose of the proposed project is clearly consistent with relevant Coastal Act policies, some elements of the proposed project could potentially disturb tidewater gobies, steelhead trout, Western snowy plovers, or species' habitat. The following discussion addresses these concerns.

Coastal Act Section 30231 specifies that the maintenance of the biological productivity and the quality of coastal waters and streams be implemented through, among other means, minimizing alteration of natural streams. While the proposed pipeline excavation, inspection and repair activities cannot be executed without first diverting a portion of the lagoon currently created by Toro Creek, an activity that alters a natural stream, Chevron will minimize this alteration to the maximum extent feasible. Specifically, Chevron plans (1) to block only the portion of the lagoon that directly encompasses the project work area (Exhibit 3, labeled "Proposed Sand Berm") and (2) to leave the remainder of the lagoon intact. If Toro Creek reestablishes its flow across the pipelines and to the ocean before Chevron completes pipeline repair activities, Chevron will divert Toro Creek to an outlet north of the Berth No. 2 oil loading line by cutting a channel from the north end of the lagoon to the ocean. **Special Condition 3** specifies excavation dimensions and requires Chevron to notify the Executive Director of the Coastal Commission before commencement of trenching activities, should they become necessary.

As suggested by staff of the U.S. Biological Survey, **Special Condition 2** requires Chevron to retain an approved biological monitor to conduct a visual survey of the portion of Toro Creek that extends over the pipelines for the presence of tidewater gobies before commencing project work. This survey will ensure that no tidewater gobies will be inadvertently isolated from Toro Creek when Chevron blocks the creek flow from the project area.

In addition, as agreed upon by the applicant and the CDFG, **Special Condition 6** requires Chevron to complete all work by January 31, 1996, before steelhead trout

may enter Toro Creek. This condition also ensures that all work will be completed outside of the nesting season (March through September) of the Western snowy plover.

4.4.1.2 Pipeline Excavation, Inspection, Repair, and Reburial

Tanker transfers at the Estero marine terminal occur every third day on average; the pipelines are considered "idle" while no transfers are occurring. While the pipeline system is idle, some crude oil is allowed to remain in the lines and the system is placed under continuous vacuum (maintained at a negative pressure by pumps at the terminal's onshore facility).

As the pipelines contain a certain amount of crude oil even while they are idle, there is the potential that an accidental release could occur while Chevron conducts pipeline excavation, inspection, repair, or reburial activities. For instance, the heavy equipment that will be used to excavate the pipelines could inadvertently strike a line and puncture it, or the terminal's continuous vacuum system could fail.

Chevron has indicated that the elevation of the work area in relation to available pipeline valves will serve to limit the volume of crude in each pipeline that would actually be subject to release if a line were punctured. For example, while the Berth Nos. 1 and 2 loading lines have volumes of 922 barrels (bbls) and 1,479 bbls, respectively, Chevron estimates that only 148 bbl and 236 bbls, respectively, would be at risk for release (not accounting for the action of the continuous vacuum system).

To ensure that crude will not be released while performing project activities, Chevron will pre-locate the pipelines with an electronic line locator, stake or delineate the pipeline locations, hand-excavate to expose the pipelines prior to use of heavy equipment, and appoint an excavation observer to watch over trenching activities.

Should a pipeline become punctured, any fluid would initially be drawn into or maintained in the pipeline system by the terminal's continuous vacuum system, and vacuum capacity could be increased. Chevron will keep a temporary pipe clamp onsite to temporarily seal a pipeline puncture until it is permanently repaired.

To further reduce the potential of hydrocarbons being released into the marine environment should a pipeline become opened, **Special Condition 5** requires Chevron to suspend all oil transfers through the pipelines throughout the duration of the project (seven work days).

In addition, the Chevron Emergency and Oil Spill Response manual (which Chevron prepared for the Estero Marine Terminal in April 1994 to attain compliance with the Oil Pollution Act of 1990 and California Senate Bill 2040) addresses spill response, and some oil spill containment and cleanup equipment is located at the Estero Terminal.

Despite Chevron's proposed measures to avoid the accidental spillage of crude oil, the possibility remains that crude oil could be released while pipeline excavation, inspection, or repairs are being performed. For example, when the Commission approved the removal of Platforms Helen and Herman *(CDP No. E-87-6, January 1988)*, all indications led the Commission to conclude at that time that "the probability of a major oil spill is virtually impossible..." (e.g., during platform decommissioning, the pipelines were pigged then flushed with seawater for several days). However, during pipeline removal, approximately 40 barrels (1,680 gallons) of rust, irons sulfides and suspended tar/oil spilled from these pipelines. According to Chevron:

> The pipelines associated with Platforms Helen and Herman were not properly flushed and pigged at shutdown in 1973. The inadequate flushing and pigging of these lines increased the potential for a release during abandonment operations. In addition, no cathodic protection was in place following shutdown of the platforms. Considerable corrosion occurred to these pipelines over the 15 years until abandonment operations were undertaken. The release of oil from these lines was a result of pigging operation during final abandonment operations. *(Letter from Gary W. Gray, Chevron, to Cy R. Oggins, CCC, February 15, 1994).*

4.4.1.3 Future Pipeline Exposure

Chevron has stated that Estero terminal personnel have no knowledge of the Berth Nos. 1 and 2 loading lines ever having been exposed in the past, aside from the current occurrence, but have observed the treated water outfall line become exposed after normal to heavy storm activity. Based on these observations, Chevron asserts that no exposure of the loading lines should be expected in the future.

However, the Commission staff believes that since the pipelines are located where they are subject to the effects of a dynamic beach profile, the possibility that they may again become exposed to damage and risk of puncture cannot be dismissed. The Commission staff has expressed concern that Chevron's proposal may be only a temporary fix, especially considering that the Estero Marine Terminal may continue to operate for another 30 years, and has encouraged Chevron's pursuit of a long-term solution. *(Letters from Moira McEnespy, CCC, to Joe Gonzalez, Eric Kauffman, and John Paulson, Chevron, June 20, 1995 and August 21, 1995).*

To address the possibility that the pipelines may again become exposed, Chevron has proposed to monitor pipeline cover and creek status as described above in Section 2.4.5.

As discussed in Sections 4.4.1.1 and 4.4.1.2, the proposed pipeline repair project would increase the integrity of the oil pipelines; thus the proposed project seeks to implement the policies contained in Coastal Act Sections 30230, 30231, 30232, and

30240(a). However, upon further analysis of Chevron's proposed monitoring program against these policies, which contain language that marine resources, the quality of coastal waters and streams, and environmentally sensitive habitat areas shall be protected and maintained, the following permit conditions are included.

Special Condition 7(a) requires Chevron to continue monitoring as long as the Estero Marine Terminal remains in operation or until such time that the Executive Director indicates that the monitoring program shall be modified or terminated. **Special Condition 7(b)** requires that Chevron immediately notify appropriate agencies upon discovery of (1) any situation that poses eminent danger to the oil loading lines, (2) active erosion of pipeline cover, or (3) any exposure of the oil loading lines.

Chevron has stated that if they determine that any pipeline is at risk of damage, they will shut down loading operations until such time that appropriate action can be taken to ensure their integrity. Chevron is aware that (1) the Executive Director will only issue emergency permits to address or avoid emergency situations; (2) "emergency" as used in Public Resources Code Section 30624 and 14 CCR Section 13009 means "a sudden unexpected occurrence demanding immediate action to prevent or mitigate loss or damage to life, health, property or essential public services;" and (3) it is unlikely that any future crisis arising from exposure of the lines could be considered either "sudden" or "unexpected." **Special Condition 7(c)** sets forth that should any pipeline repair activity that arises from exposure of a pipeline and that requires a coastal development permit become necessary in the future, all oil transfer operations involving the pipeline will remain suspended until such time that the necessary permit can be acquired through the regular (non-emergency) process.

4.4.1.4 Conclusion - Marine Resources/Oil Spills

The Commission makes the following findings:

- With implementation of the applicant's proposal to restore beach contours and the requirement set forth in **Special Condition 6**, that the proposed project be completed by the end of January, 1996, the proposed project will not significantly impact Western snowy plovers or their proposed critical habitat.

- With implementation of the requirement set forth in **Special Condition 6**, that the proposed project be completed by the end of January, 1996, the proposed project will not significantly impact steelhead trout in Toro Creek.

- With implementation of both Chevron's proposed measures concerning the diversion of Toro Creek, and the tidewater goby survey requirement set forth in **Special Condition 2**, the proposed project will not significantly impact tidewater gobies or other sensitive species that may inhabit the lower reaches of Toro Creek and the lagoon.

The Commission also finds that the proposed project seeks to implement the policies contained in Coastal Act Sections 30240, 30230, and 30231. However, despite implementation of Chevron's proposed spill prevention measures and **Special Condition 5** the possibility remains that the pipeline excavation, inspection, and repair activities themselves may cause an accidental release of hydrocarbons into the marine environment. Due to the potential for significant adverse impacts to coastal resources, resulting from such a release, the Commission finds that the marine resource protection standards of Coastal Act Sections 30240(a), 30230, and 30231 cannot be met.

The Commission recognizes that the proposed project seeks to meet the intent of Coastal Act section 30232's directive to protect against the spillage of crude oil by restoring the pipelines' integrity. The Commission supports this objective and appreciates Chevron's efforts in the spirit of Section 30232 to prevent and respond to any spills that may occur. However, the Commission has found in the past that current technology cannot assure complete prevention or effective cleanup. For example, although preparation for spill response from companies and their contractors during drills and inspections has generally been satisfactory, instances have occurred where planning or equipment failures or inadequate communication have caused response to be less effective than expected. In addition, the technical capabilities of spill response equipment limit the equipment's effectiveness (For instance, the General Accounting Office has estimated that no more than 10-15% of oil lost in a major spill is ever recovered). Consequently, the Commission finds that the proposed project cannot be found to be consistent with Coastal Act Section 30232.

However, a marine terminal and its associated pipelines is considered to be a coastal-dependent industrial facility. Therefore, the proposed pipeline repair project can be reviewed under the Coastal Act's Section 30260 coastal-dependent industrial development "override" provision, as discussed in Section 4.4.3 of these findings.

4.4.2 Public Access, Recreation, and Safety

Section 30210 of the Coastal Act states:

> *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 of the Coastal Act states:

> *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.*

Public access to the shoreline and along the coast is available near the site. Existing state beaches (Morro Strand and Atascadero) lie to the north and south of the Chevron parcel and provide opportunities for access to the shoreline from Highway 1. Atascadero State Beach is accessible from Toro Point, approximately one-quarter mile south of the site near the intersection of Yerba Buena Street and Highway 1.

Recreational use of the wet and dry sand area in the immediate project vicinity currently exists. The dry sand portion of the property connects two state park beach units and provides a logical connection for low intensity uses such as beachcombing and fishing.

Project-related equipment and open trenches created by excavating the pipelines could create safety hazards to persons recreating on the beach. To address these concerns, Chevron will delineate the work area with construction barricades and plastic warning tape; any open trenches, equipment, or materials that remain at the end of a work period will be enclosed. A security guard will secure the work area during all non-working hours. During periods of high tide that coincide with non-working hours, Chevron will stage all equipment and supplies in the fenced area south of the work area (Exhibit 3, labeled "Parking Area") or at the marine terminal. In addition, during work hours, Chevron personnel will escort beachgoers safely across the work area if there is not sufficient room for them to cross between the work area and the ocean.

The Commission finds that the duration of the project (seven work days), and the implementation of Chevron's proposed public access and site safety measures reduce to insignificance any impacts the proposed project may have on public access or public. Consequently, the Commission finds that the proposed project is consistent with Coastal Act Sections 30210 and 30211.

4.4.3 Archaeological and Cultural Resources

Section 30244 of the Coastal Act states:

> *Where development would adversely impact archaeological or paleontological resources as identified by the State Historic Preservation Officer, reasonable mitigation measures shall be required.*

Chevron's Estero Marine Terminal is located within the historic territory of the Chumash and Salinan Native American groups. Thus, areas encompassing the

terminal are highly significant to these peoples. No known archaeological site exists in the immediate vicinity of the proposed project site.

Chevron retained archaeologists from Fugro West, Inc., and Native American representatives to conduct cultural resources monitoring while performing a soil and groundwater investigation at the Estero Marine Terminal. In the winter of 1994, no cultural materials were found to be present during the installation of soil and groundwater sampling and monitoring wells located west of Highway 1, five of which were located immediately adjacent to the Berth Nos. 1 and 2 loading lines. Between July 31 and August 3, 1995, a shell fragment was found during one well installation west of the Highway 1, but was not classified as a cultural deposit.

Furthermore, the proposed project activities are located within an area of tidal influence, a factor which further precludes the presence of cultural artifacts within the area of proposed disturbance.

While it seems unlikely that the proposed project will impact cultural resources, given the highly sensitive nature of the resource and the recommendation by Fugro West, Inc., that any additional remedial actions involving earth disturbance at the terminal site be monitored by an archaeologist and Native American *(Letter from Mary Maki and Simon Poulter, Fugro West, Inc., to Don Culbertson, Chevron, August 23, 1995)*, **Special Condition 4** requires Chevron to retain and abide by the directives of approved cultural resource monitors while conducting all earth-disturbing activities, and to immediately stop work in the area and notify the Executive Director of the Coastal Commission if a cultural resource is found.

Therefore, considering the findings of past cultural resources monitoring at the Estero terminal and the implementation of **Special Condition 4**, the Commission finds that the proposed project will not significantly impact cultural resources. Consequently, the Commission finds that the proposed project is consistent with Coastal Act Section 30244.

4.4.4 Coastal Act Section 30260: Coastal-Dependent Industrial "Override Provision

Section 30101 of the Coastal Act defines a coastal-dependent development or use as that which "requires a site on or adjacent to the sea to be able to function at all." Ports, commercial fishing facilities, offshore oil and gas developments, and marine terminal facilities are examples of coastal-dependent development types that are given priority in the Coastal Act over other types of development at or near the shoreline.

Section 30260 of the Coastal Act further provides for special consideration of coastal-dependent industrial facilities that may otherwise be found inconsistent with the resource protection and use policies contained in Chapter 3 of the Coastal Act. Coastal-dependent industrial facilities must first be tested under all other applicable

policies contained in Chapter 3 of the Coastal Act. If the proposed project does not meet the requirements of these policies, the development can then be analyzed under the three requirements of Coastal Act Section 30260, which specifically states:

> 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 3026l and 30262 if (l) 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.

As discussed above, the proposed pipeline repair project at Estero Marine Terminal does not meet the standards of Coastal Act Sections 30240(a), 30230, 30231, and 30232 due to the potential for a release of hydrocarbons into the marine environment. However, the Commission may apply the three tests of Section 30260 to Chevron's project proposal since the marine terminal is a coastal-dependent industrial use.

4.4.4.1 Alternative Locations

The first test of Coastal Act Section 30260 provides that the Commission may approve the proposed development if it finds that alternative project locations are infeasible or more environmentally damaging. As described above, Chevron's pipeline repair project consists of replacing damaged coating on existing pipelines. Consequently, the Commission finds that the proposed project is sited in the only possible location, and thus is consistent with the first test of Section 30260.

4.4.4.2 Public Welfare

The second test of Coastal Act Section 30260 provides that coastal-development industrial development may be permitted if "to do otherwise would adversely affect the public welfare...." This test requires more than a finding that, on balance, a project as proposed is in the interest of the public. It requires that the Commission find that there would be detriment to the public welfare were the Commission to deny a permit for the development proposal.

As described above, the purpose of Chevron's proposed project is to repair sections of two pipelines where the pipeline coating has become disbonded. The pipelines' coatings provide protection against external corrosion by preventing water and any corrosive soils from making direct contact with the pipe steel. In addition, sections of disbonded pipe coating can cause cathodic protection, another method of external corrosion control, to become unreliable. Thus, failing to repair the pipelines' coatings will increase the likelihood that the pipelines will suffer from external corrosion, a leading cause of pipeline leak incidents (*External Corrosion caused 59%*

of all leak incidents in a study conducted by the California State Fire Marshal, Hazardous Liquid Pipeline Risk Assessment, March 1993). Ultimately, failure to repair the pipelines' coatings will increase the likelihood that hydrocarbons will be released into the sensitive marine environment, adversely impacting marine resources, sensitive species and habitat areas, and recreational beach users. Accordingly, should the pipeline repair activities not be performed, the public's welfare would be significantly harmed. Consequently, the Commission finds the project as proposed is consistent with the second test of Section 30260.

4.4.4.3 Maximum Feasible Mitigation

The third test of Coastal Act Section 30260 requires a finding that the adverse environmental impacts of a proposed project have been mitigated to the maximum extent feasible. The Commission finds that implementation of Chevron's proposed spill prevention and response measures, and the requirement set forth in **Special Condition 3**, that all transfers of crude oil be suspended throughout the duration of the proposed project, represent the maximum feasible mitigation available at this time. Consequently, the Commission finds that the project as proposed and conditioned is consistent with the third test of Section 30260.

4.4.4.4 Conclusion - Coastal Act Section 30260

The Commission finds that, as discussed above, the project as proposed and conditioned meets all three tests of Coastal Act Section 30260. Consequently, the Commission finds that the project as proposed and conditioned is consistent with Coastal Act Section 30260.

4.5 California Environmental Quality Act (CEQA)

The Coastal Commission's permit process has been designated by the State Resources Agency as the functional equivalent of the CEQA environmental review process. Pursuant to CEQA section 21080.5(d)(2)(i) and section 15252(b)(1) of Title 14, California Code of Regulations, the Commission may not approve a development project "if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment." Thus the CEQA requires the consideration of feasible alternatives to a proposed project, including those less environmentally damaging, and the consideration of mitigation measures to minimize or lessen any significant environmental impacts.

As described in other sections of this report, the purpose of Chevron's proposed project is to repair sections of two pipelines where the pipeline coating has become disbonded. The pipelines' coatings provide protection against external corrosion by preventing water and any corrosive soils from making direct contact with the pipe steel. In addition, sections of disbonded pipe coating can cause cathodic protection, another method of external corrosion control, to become unreliable.

The "no project" alternative would increase the likelihood that the pipelines will suffer from external corrosion, a leading cause of pipeline leak incidents *(External Corrosion caused 59% of all leak incidents in a study conducted by the California State Fire Marshal, Hazardous Liquid Pipeline Risk Assessment, March 1993).* Ultimately, pursuing the no project alternative would increase the likelihood that hydrocarbons will be released into the sensitive marine environment, adversely impacting marine resources, sensitive species and habitat areas, and recreational beach users. Therefore, the no project alternative is not a less environmentally damaging alternative.

Furthermore, as discussed above, the proposed project activities are subject to mitigation measures that make them consistent with the Coastal Act and reduce their impacts to a level of insignificance.

The Commission finds no feasible less environmentally damaging alternatives or additional feasible mitigation measures, other than those identified herein, that would substantially lessen any significant adverse impact which the project activities may have on the environment. The Commission therefore finds the project is consistent with the provisions of the CEQA.

APPENDIX A

Standard Conditions

1. Notice of Receipt and Acknowledgment. The permit is not valid and development shall not commence until a copy of the permit, signed by the permittee or authorized agent, acknowledging receipt of the permit and acceptance of the terms and conditions, is returned to the Commission office.

2. Expiration. If development has not commenced, the permit will expire two years from the date on which the Commission voted on the application. Development shall be pursued in a diligent manner and completed in a reasonable period of time. Application for extension of the permit must be made prior to the expiration date.

3. Compliance. All development must occur in strict compliance with the proposal as set forth in the application for permit, subject to any special conditions set forth below. Any deviation from the approved plans must be reviewed and approved by the staff and may require Commission approval.

4. Interpretation. Any questions of intent of interpretation of any condition will be resolved by the Executive Director or the Commission.

5. Inspections. The Commission staff shall be allowed to inspect the site and the development during construction, subject to 24-hour advance notice.

6. Assignment. The permit may be assigned to any qualified person, provided assignee files with the Commission an affidavit accepting all terms and conditions of the permit.

7. Terms and Conditions Run with the Land. These terms and conditions shall be perpetual, and it is the intention of the Commission and the permittee to bind all future owners and possessors of the subject property to the terms and conditions.

APPENDIX B

Substantive File Documents

Applications and Agreements

Chevron Pipe Line Company, Estero Marine Terminal, Application for Coastal Development Permit from the California Coastal Commission for diversion of Toro Creek and excavation and repair of two pipelines on beach areas west of the Estero Marine Terminal, September 8, 1995.

Agreement Regarding Proposed Stream or Lake Alteration, California Department of Fish & Game (CDFG) and Joe Gonzalez of Chevron U.S.A., May 1, 1995 (date agreement became effective). Agreement extension authorized October 1, 1995 by Eric Wang, CDFG.

Environmental Documents and Reports

Final Report, Cultural Resources Monitoring for the Soil and Ground Water Investigation Project, Site CA-SLO-879, Chevron Estero Marine Terminal, San Luis Obispo County, California, prepared by Mary K. Maki, Fugro West, Inc., December 1994. (CDP No. E-94-18 file).

Western Snowy Plover Survey of the Vicinity of the Estero Marine Terminal, prepared by Matthew Ingamells, Fugro Weste, Inc., July 14, 1995. (Included as an attachment to CDP Application No. E-95-03).

Letter from Donna Hebert, Fugro West, Inc., to Moira McEnespy, California Coastal Commission, August 23, 1995, regarding cultural resource and western snowy plover monitoring. (CDP Amendment No. E-94-18-A1 file). Pertinent attachments are listed below:

1. Letter from Teresa M. Larson, Point Reyes Bird Observatory, to Gaylene Tupen, Fugro West, Inc., August 8, 1995, regarding western snowy plover observations during installation of groundwater monitoring well at Chevron's Estero Marine Terminal;

2. Letter report from Mari Maki, Fugro West, Inc., to Don Culbertson, Chevron, August 23, 1995, regarding cultural resources monitoring at Chevron's Estero Marine Terminal, and associated report (handwritten log) of field observations.

Letter from Diane K. Noda, U.S. Fish & Wildlife Service, to David Castanon, U.S. Army Corps of Engineers, September 29, 1995, regarding impacts of the proposed project on Western snowy plovers and areas proposed as critical habitat.

Biological Resource Assessment, Lower Toro Creek Study Area - Chevron Estero Facility, prepared by Fugro West, Inc., October 1995. (Included as an attachment to CDP Application No. E-95-03).

Correspondence

Letter from Joe Gonzalez, Chevron, to Susan Hansch, California Coastal Commission, April 21, 1995, regarding request for emergency permit.

Letter from Joe Gonzalez, Chevron, to Moira McEnespy, California Coastal Commission, May 24, 1995, regarding changes in project description for emergency permit.

Letter from Moira McEnespy, California Coastal Commission, to Joe Gonzalez and Eric Kauffman, Chevron, June 20, 1995, regarding change in emergency status and request for submittal of a regular coastal development permit application.

Appendix B Substantive File Documents, cont.

Correspondence, cont.

Letters from Donna Hebert, Fugro West, Inc., to Greig Cummings, County of San Luis Obispo, Shauna Nauman, City of Morro Bay, Eric Wang, Department of Fish & Game, Carrie Phillips, U.S. Fish & Wildlife Service, Nancy Wolfe, California State Fire Marshal, Tiffany Welch, U.S. Army Corps of Engineers, September 7, 1995, regarding notification of proposed project and requests for required permits or approvals.

Letter from Donna Hebert, Fugro West, Inc., to Moira McEnespy, California Coastal Commission, September 19, 1995, including photo of treated water outfall line.

Letter from Donna Hebert, Fugro West, Inc., to Adam White, Regional Water Quality Control Board, Central Coast Region, September 21, 1995, regarding request for water quality certification.

Letter from Nancy Wolfe, California State Fire Marshal, to Donna Hebert, Fugro West, Inc., July 25, 1995, regarding protection of the pipelines before the next storm season.

Letter from Moira McEnespy, California Coastal Commission, to Joe Gonzalez and John Paulson, Chevron, August 21, 1995, regarding protection of repair and protection of pipelines.

Letter from S. K. O'Nesky, Chevron, to Donna Hebert, Fugro West, Inc., August 28, 1995, regarding preliminary information on Chevron's CDP application for pipeline repair work.

Fax from Moira McEnespy, California Coastal Commission, to Donna Hebert, Fugro West, Inc., September 14, 1995, regarding Toro Creek flow after proposed project.

Letter from John Paulson, Chevron, to Donna Hebert, Fugro West, Inc., September 25, 1995, regarding site safety measures and electronic inspection procedures.

Fax from Donna Hebert, Fugro West, Inc., to Moira McEnespy, California Coastal Commission, September 26, 1995, providing additional project description information. Fax included letter from John Paulson, Chevron, to Donna Hebert, Fugro West, Inc., September 25, 1995.

Letter from Moira McEnespy, California Coastal Commission, to Donna Hebert, Fugro West, Inc., September 29, 1995, regarding Coastal Development Permit application filing status.

Letter from Donna Hebert, Fugro West, Inc., to Moira McEnespy, California Coastal Commission, October 13, 1995, providing additional project description information.

Fax from Donna Hebert, Fugro West, Inc., to Moira McEnespy, California Coastal Commission, October 24, 1995, providing additional project description information.

Letter from James Caruso, County of San Luis Obispo, to Moira McEnespy, California Coastal Commission, October 25, 1995, regarding waiver of local approvals as a Coastal Development Permit filing requirement.

Letter from Donna Hebert, Fugro West, Inc., to James Caruso, County of San Luis Obispo, October 24, 1995, regarding modification to project description.

Appendix B Substantive File Documents, cont.

Photographs of the Project Area, from Fugro West, Inc.

"Views of Toro Creek, October 1994."

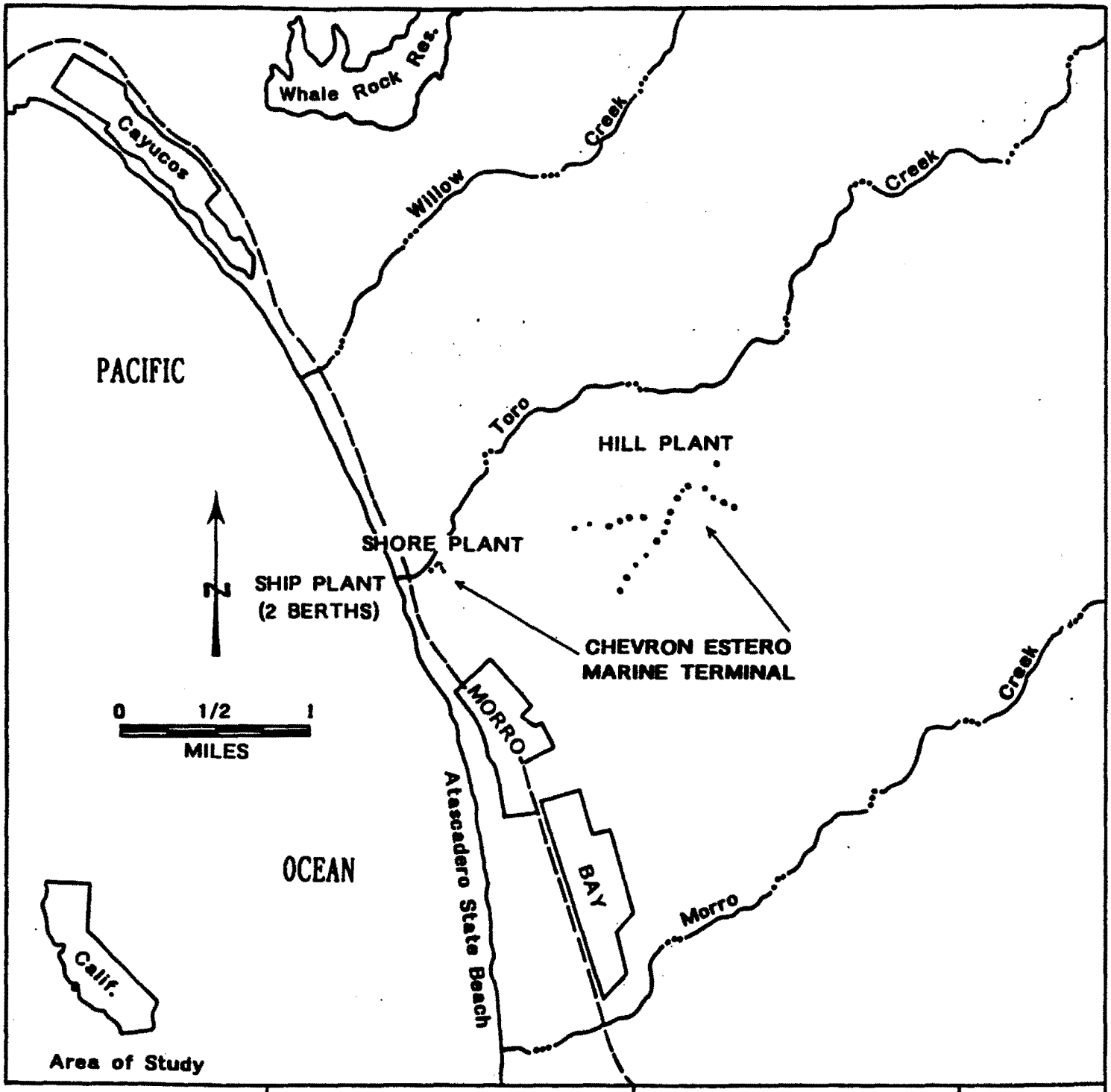
"Views of the Beach West of Chevron Estero Marine Terminal, October 1994."

"Views of Toro Creek and Loading Line No. 2, July 11, 1995."

"Views of Toro Creek and Treated Water Outfall Pipeline, July 11, 1995."

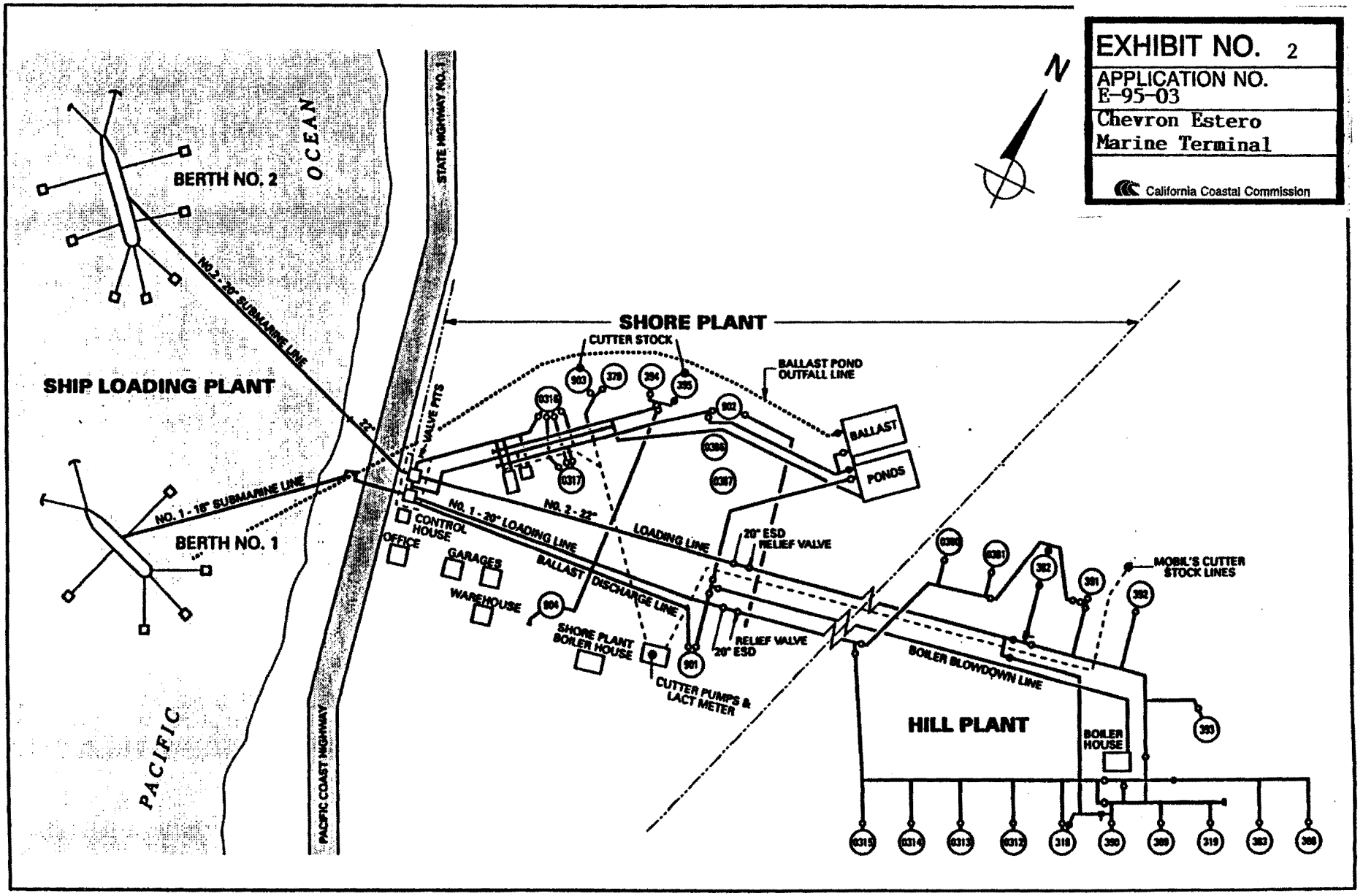
Past Permits

Coastal Development Permit No. E-83-17.



Chevron Estero Marine Terminal	SITE LOCATION MAP	ENTRIX, INC. Glendale CALIFORNIA

EXHIBIT NO. 1
APPLICATION NO. E-95-03
Chevron Estero Marine Terminal
Site Location Map
California Coastal Commission



Schematic piping diagram of the Ship Loading, Shore and Hill Plants, and Cutter Stock System

A | B | C | D | E | F | G

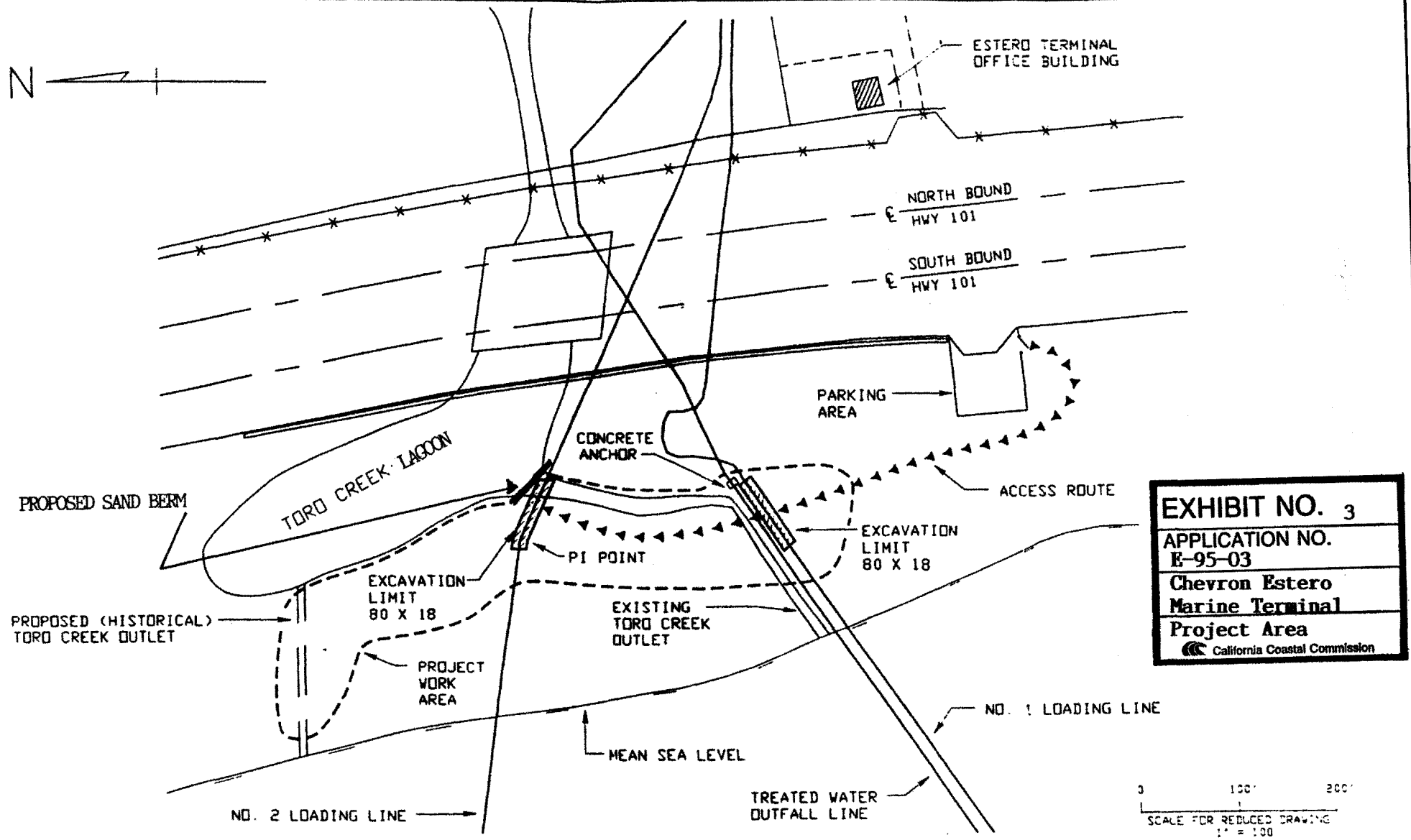


EXHIBIT NO. 3
APPLICATION NO. E-95-03
Chevron Estero Marine Terminal
Project Area
California Coastal Commission

REVISIONS						
0	ISSUED FOR SIGNATURES	9/95	JDJ 9/95	DR JDJ CH.	Chevron Pipe Line Co. West Coast Carrier	PERMIT DRAWING
				DR APP.		ESTERO SHORE PIPELINES
				ENGR. JRP		ESTERO MARINE TERMINAL
				OPR'G. DEPT. APPROVED		ESTERO SHORE P/L COATING REPAIRS
				ENG'R. DEPT.		C.C.
				SCALE 1" = 100'	DATE 9/1/95	S.O.

FIGURE 2 | 0