

## CALIFORNIA COASTAL COMMISSION

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## RECORD PACKET COPY

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## STAFF REPORT: REGULAR CALENDAR

**Application No:** E-95-8

**Applicant:** Unocal California Pipeline Company

**Agent:** Cannon Associates

**Project Location:** Pismo Creek, near Addie and Cypress Streets and Dolliver Street  
 (Highway 1), near Cypress Street Bridge, Pismo Beach, CA (Exhibit 1)

**Project Description:** (1) Relocate and install new 984 linear foot section of a 12-inch petroleum pipeline via horizontal directional drilling approximately 20 feet below Pismo Creek, (2) install mainline shut-off valves on each side of the creek crossing, (3) abandon in place the existing 690-foot section of the pipeline presently located approximately 5 feet below the creekbed, and (4) excavate and remove 750 linear feet of 8-inch and 750 linear feet of 12-inch pipelines from the rights-of-way in Addie and Cypress Streets.

The portion of the project subject to the Coastal Commission's retained jurisdiction is the section of the pipeline that extends beneath Pismo Creek.

**Local Approvals:** City of Pismo Beach CDP 95-120; City of Pismo Beach Certified Mitigated Negative Declaration 95-120; City of Pismo Beach Encroachment/Excavation Permit 96-7.

**Substantive File Documents:** See Appendix A

## SYNOPSIS

Unocal California Pipeline Company (Unocal) proposes to relocate and replace a section of the 12-inch Summit oil pipeline that presently crosses beneath Pismo Creek, along the Dolliver Street (Highway 1) right-of-way in Pismo Beach (Exhibits 2 and 3). The portion of the project crossing beneath Pismo Creek is subject to the Commission's retained permit jurisdiction. The City of Pismo Beach has issued a Coastal Development Permit for the remainder of the project.

The 16.1-mile Summit Line, originally installed in 1971, transports crude oil and gas oil between Unocal's Summit Pump Station (north of Nipomo) and the Avila Terminal (at Avila Beach). In Pismo Beach, the pipeline runs below the creekbed of Pismo Creek, along the Dolliver Street (Highway 1) right-of-way, beneath a bridge that was widened in 1988. The applicant for the bridge widening project was required by CALTRANS to relocate the pipelines overshadowed as the result of the project, but failed to satisfy this condition. The California Pipeline Safety Act of 1981 prohibits the placement of structures above pipelines. due to the resultant impairment of access for repair and maintenance. Unocal proposes the present project to ensure compliance with the applicable state laws.

The new pipeline section is to be installed beneath Pismo Creek by horizontal directional ("slant") drilling, near the Cypress Street pedestrian bridge, approximately 200 feet seaward of the present crossing (Exhibit 4). The drilling operation is to be staged on existing paved roads. The tie-in point of the new pipeline section to the existing line is to be setback at least 200 feet from the creekbanks. Unocal proposes to weld cap and abandon in place the old Summit Line section beneath the Villa Creek Bridge crossing. An additional oil pipeline, the 8-inch Orcutt Line parallels the Summit Line in the same right-of-way. The Orcutt Line is idle but Unocal does not propose to relocate it at this time.

The proposed project would benefit coastal resources by: 1) Reducing the risk of an oil spill by upgrading the pipeline section crossing the creek; 2) Reducing the risk of pipeline exposure via creekbed scouring or due to third party damage by placing the section crossing Pismo Creek approximately 20 feet beneath the creekbed; and 3) Increasing Unocal's ability to isolate Pismo Creek from an oil spill by installing mainline shut-off valves on each side of the creek.

As conditioned, project activities would begin after September 15 and conclude before March 15 of the following year to avoid disruptions during the Western Snowy Plover nesting season. This construction schedule also restricts project interference with the Highway 1 corridor while peak numbers of coastal visitors are traveling to the nearby Pismo State Beach (a condition also imposed by the City of Pismo Beach).

The Commission staff recommends approval of the proposed project, as conditioned.

**Table 1. Issue Summary: Potential Impacts and Proposed Mitigation Measures/Conditions**

Significant Issue Area	Proposed Mitigation Measures/Special Conditions/Other
<p><b>Oil and Gas Spills</b></p>	<p><b>Issue:</b> An oil or gas release could occur from: (1) residual hydrocarbon release when pipeline is cut for tie-in; and (2) post-construction pipeline failure.</p> <p><b>Mitigation Measures:</b></p> <ul style="list-style-type: none"> <li>• Unocal will shut down the affected pipeline and continue to idle the adjacent 8-inch pipeline prior to and during construction. The 12-inch pipeline will be purged with nitrogen and a displacement “pig” to remove hydrocarbons prior to tie-in. Unocal will also have an emergency response trailer on site during all construction activities.</li> <li>• Unocal will test the integrity of the new pipeline section prior to tie in by isolating and hydrostatically testing the section. After tie-in to the mainline, all welds will be x-rayed..</li> <li>• The new section crossing beneath Pismo creek will be installed via slant drilling at a depth of at least 20 feet beneath the creekbed, limiting potential exposure by streambed scouring or risk of upset due to third party contact.</li> <li>• Unocal proposes to install new mainline shut off valves on each side of the creek crossing, thereby increasing the ability to isolate Pismo Creek if an oil spill occurs.</li> <li>• Unocal has agreed to keep the parallel 8-inch Orcutt Line idle and to apply for a coastal development permit prior to transporting any petroleum in the line (<b>Special Condition 2</b>). This requirement is due to the impairment of repair and maintenance access to the pipeline caused by the overhang of the Villa Creek Bridge.</li> <li>• Unocal proposes to install the new 12-inch section utilizing a higher grade of steel, thicker pipeline walls, and a stronger coating.</li> </ul>
<p><b>Marine Resources; Sensitive Habitat</b></p>	<p><b>Issue:</b> The project could result in disruptions to the nesting season of the federally listed Western Snowy Plover. Potential plover nesting sites exist near the project site. The birds are particularly sensitive to noise and human disturbance during the nesting season from March 15 - September 15.</p> <p><b>Mitigation Measures:</b></p> <p><b>Special Condition 1</b> restricts the project construction schedule to September 15 - March 15 to avoid disturbance. This schedule has also been imposed by the City of Pismo Beach to ensure minimal disruptions to coastal access (nearby Pismo State Beach) during the peak tourist season. Construction is also prohibited on weekends and holidays.</p> <ul style="list-style-type: none"> <li>• Unocal proposes to install the creek crossing pipeline section via horizontal directional drilling at a depth at least 20 feet below the creekbed, thereby avoiding disruption to the creekbed and riparian corridor. Tidewater Goby are known to be present in the Pismo Creek estuary and stream channel, thus the project will avoid impacts to this federally endangered fish.</li> <li>• <b>Special Condition 3</b> requires Unocal to identify for the review and approval of the Executive Director sites within the coastal zone that may be used to dispose drilling operation spoils. Thus, any adverse impacts that could occur as the result of such disposal, such as sedimentation of coastal streams, will be evaluated and avoided.</li> </ul>

## **1.0 STAFF RECOMMENDATION**

The California Coastal Commission (the Commission) hereby grants a permit, subject to the conditions below, for the proposed development on the grounds that the development 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 conforming to the provisions of Chapter 3 of the Coastal Act and will be in conformity with the California Environmental Quality Act.

## **2.0 STANDARD CONDITIONS**

See Appendix B.

## **3.0 SPECIAL CONDITIONS**

This permit is granted subject to the following special conditions:

1. Project activities shall be carried out between September 15 - March 15, and shall not be conducted on weekends or holidays.
2. By accepting this permit, Unocal agrees that the 8-inch Orcutt pipeline shall remain idle. Unocal further agrees to apply to the Coastal Commission for a coastal development permit for relocation and replacement of the section of the Orcutt Line crossing Pismo Creek beneath the Dolliver Creek Bridge.
3. Prior to the issuance of this permit, Unocal shall submit for the review and approval of the Executive Director the locations within the coastal zone selected by Unocal for the disposal of drilling solids or other project wastes.
4. Prior to the issuance of this permit, Unocal shall submit the plans for the proposed project to the State Fire Marshall's office for review and shall submit to the Executive Director the written results of such review. Any changes in the proposed development approved by the Commission which the applicant chooses to implement in accordance with the review of the State Fire Marshall require an amendment to this permit or a new coastal development permit.

## **4.0 FINDINGS AND DECLARATIONS**

The Commission finds and declares as follows:

### **4.1 Background**

Unocal operates two petroleum trunk lines through Pismo Beach: a 12-inch crude oil and gas oil pipeline that runs 16.1 miles between Unocal facilities at the Summit Pump Station (north of

Nipomo) and the Avila Terminal (at Avila Beach), and an idle, 8-inch petroleum pipeline (the Orcutt Line) that runs parallel to the Summit Line in the same rights-of-way. The Summit Line is bi-directional and is heated when carrying crude oil. Both pipelines are located within the right-of-way of Highway 1 (Dolliver Street) and travel under the bridge improvements of the Villa Creek Bridge, beneath the creekbed.

In 1988, the City of Pismo Beach authorized the widening of the Villa Creek Bridge as a condition of approval for a nearby development project (Creskside Recreational Vehicle Park). The bridge spans Pismo Creek at post mile 15.3 on Highway 1 (which is Dolliver Street within the City). The Unocal pipelines are located approximately 5 feet below the creekbed at the Pismo Creek crossing, beneath the widened bridge. A condition of the CALTRANS encroachment permit (05886MC0442) for the widening required the permit holder to relocate the Unocal pipelines. Although the bridge construction work was undertaken, the pipelines were not relocated.

Unocal has determined that the pipeline relocation is necessary to ensure that continued operation of the Summit Line conforms with the requirements of the California Pipeline Safety Act of 1981. The Act prohibits the placement of structures above petroleum pipelines (California Government Code Section 51014.6). In keeping with the project's twin purposes, increasing pipeline safety and ensuring regulatory compliance, Unocal's original project description included the installation of mainline shutoff valves on each side of the creek crossing. As built, the mainline shutoff valves are presently located 8 city blocks away at Price and Dolliver Streets, north of the crossing, and in Grover City, the next city south of Pismo Beach. Because the underground vault-style valves take up a substantial amount of space within utility rights-of-way (10' x 10' x 8'), the City's public works department deleted one valve from Unocal's plans as a condition of issuance of the City's encroachment/excavation permit (City of Pismo, Permit 96-7). Commission staff discovered the deletion (which was made administratively after the City Planning Commission approved Unocal's proposal, which included both valves), determined that the State Fire Marshall would require the installation of the valve deleted from Unocal's plans, and suggested that the City uphold the approved project description, including both mainline valves. Subsequently, Unocal revised its project description to explicitly incorporate both mainline valves, and the City revised the encroachment/excavation permit to incorporate both valves (Permit 96-7 as revised April 26, 1996), thereby resolving the matter.

The City's public works department has advised Unocal, however, that the City may require removal or relocation of the valve at any time. Therefore, Unocal has agreed to identify a second location close to the creek crossing that would be suitable for the relocation of the valve and acceptable to the City of Pismo Beach, should the City impose such a requirement.

A second Unocal petroleum pipeline runs parallel to the 12-inch Summit Line in the affected right-of-way beneath the Villa Creek Bridge. Unocal states that the 8-inch Orcutt Line is presently idle but subject to the same violation of Government Code Section 51014.6 as the Summit Line, because the bridge overhangs the dual-pipeline corridor. Unocal does not presently propose to relocate the Orcutt Line because the pipeline may not be necessary for future operations. Continued use of the

line for transporting petroleum products, however, would be a violation of state law. Moreover, the aging pipeline does not have mainline shutoff valves capable of isolating Pismo Creek from an oil spill. **Special Condition 2**, discussed in the following section, requires Unocal to keep the Orcutt line idle and to apply to the Coastal Commission for a coastal development permit to relocate and replace the section of the Orcutt line crossing Pismo Creek if Unocal proposes to transport petroleum in the line.

## **4.2 Local Government Approvals**

### City of Pismo Beach

On January 12, 1996, the City of Pismo Beach Planning Commission certified Mitigated Negative Declaration 95-120 and approved Coastal Development Permit 95-120-CDP for those portions of Unocal's proposal located within the City's certified LCP jurisdiction. The City approved Encroachment/Excavation Permit 96-7 on February 1, 1996. At the request of Unocal and Commission staff, the City approved revised Encroachment/Excavation Permit 96-7 on April 26, 1996, incorporating mainline shutoff valves into the pipeline on each side of the creek crossing.

### California State Lands Commission

The applicant has submitted an October 26, 1995 State Lands Commission (SLC) determination that although the water-covered lands of Pismo Creek are subject to the public easement in navigable waters, SLC review of the project indicates that the project would not impede public rights (SLC File Reference: SD 95-09-18.2).

## **4.3 Project Description**

Unocal proposes to replace and relocate a 990-foot section of an existing 12-inch petroleum pipeline (the "Summit Line") presently located in the Dolliver Street (Highway 1) right-of-way in Pismo Beach. The Summit Line crosses beneath Pismo Creek, beneath the Villa (Pismo) Creek Bridge, at a depth of approximately 5 feet below the creekbed. At present, the mainline shutoff valves closest to the creek crossing are at Price and Dolliver Streets in Pismo Beach (8 city blocks away) and at Front Street, in Grover City, to the south of Pismo Beach.

Unocal proposes to install a new section of the Summit Line beneath Pismo Creek, adjacent to the pedestrian-only Cypress Street Bridge located approximately 200 feet seaward of the present pipeline crossing beneath the Villa Creek Bridge. The new section is to be installed via horizontal directional drilling ("slant drilling") to a depth of approximately 20 feet beneath the creekbed. The takeoff points for the drilling operation, as well as the tie-in points to the existing mainline, will be setback at least 200 feet from the creekbanks. The drilling operation is to be staged from an existing paved road, thereby minimizing the potential for physical disturbance of the site.

The new pipeline section is to be fabricated with a higher grade of steel, thicker walls, and a tougher coating than the existing section. Further, Unocal proposes to install mainline shut-off valves on each side of the creek crossing. The underground vault valves would be manually operated.

#### 4.4 COASTAL ACT ISSUES

##### 4.4.1 Oil and Gas Spills

Coastal Act Section 30232 states in pertinent part:

*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.*

Replacement and relocation of a section of the 12-inch Summit Line will result in an overall beneficial impact as the new pipeline section will be stronger, less subject to damage via creekbed scouring and exposure, or through third party damage, and will include mainline shutoff valves designed to isolate and reduce oil spill volume into Pismo Creek should a pipeline failure occur. These improvements will thus reduce the risk of an oil spill from the affected section of the Summit Line. Unocal has committed to continuing its cathodic protection of the Summit Line to reduce corrosion and to periodic electronic internal inspection of the line ("smart pigging"). Unocal hydrostatically tests the 12-inch pipeline once in every five years. In addition, Unocal performs aircraft patrols of the pipeline routes twice a week, looking for third party activities (such as excavation and grading) near the pipelines. Unocal subscribes to Underground Service Alert (USA) of Northern California. USA alerts Unocal of any construction activity around the pipeline facilities. These measures should help to ensure the post-construction integrity of the new pipeline section.

The above measures notwithstanding, there remains a degree of risk that the pipeline construction work itself may cause an accidental release of hydrocarbons into the water. The probability of an oil spill occurring due to project activities is low, however, as discussed below.

##### Oil Spill Prevention

The first test of Section 30232 of the Coastal Act requires "[p]rotection against the spillage of crude oil, gas petroleum products, or hazardous substances..." Unocal has designed the project to minimize the potential for a release of hydrocarbons into the riparian corridor. All pipelines in the right-of-way will be shut down prior to and for the duration of construction. Prior to tie-in, operators will purge the Summit Line with nitrogen and a displacement "pig." Unocal has stated that the purging process should remove all hydrocarbons from the pipeline. Following the purge, the nitrogen will be depressurized into a Baker Tank with a 2-foot pan of water. Carbon filter canisters will strip out the gaseous nitrogen. Unocal will then pump the water in the Baker Tank to a "slop" tank at a Unocal California Pipeline Company facility. Unocal will then pump the contents of the

slop tank to Unocal's refinery in Rodeo, California for processing. Unocal states that no petroleum will remain in the pipeline after the purging process because the pigging device, forced through the pipeline by the nitrogen, will push the hydrocarbons out in front of it. Unocal will isolate the slug of nitrogen between two block valves.

In addition, Unocal will internally hydrostatically pressure test the new section of the 12-inch pipeline before connecting it to the existing mainline. Unocal will x-ray all girth welds to ensure soundness prior to placing the new section of pipeline in service.

The Commission believes that Unocal's efforts to prevent an oil release during construction, or during the placement of the new section of pipeline in service, are adequate and that the project is consistent with the first test of Coastal Act Section 30232.

### Oil Spill Response

The second test of Section 30232 of the Coastal Act requires the applicant to provide effective containment and cleanup facilities and procedures for accidental spills that do occur. Despite the precautions proposed by Unocal, the possibility remains that residual oil could be released when the pipelines are cut, or when the new section of pipeline is placed in service. For example, when the Commission approved the removal of Platforms Helen and Herman (CDP E-87-6, January 1988), all indications led the Commission to conclude at the time that "the probability of a major oil spill is virtually impossible..." (e.g., during platform decommissioning, the pipelines were pigged then flushed with sea water for several days). However, during pipeline removal, approximately 40 barrels (1680 gallons) of rust, iron sulfides and suspended tar/oil spilled from these pipelines. Therefore, the possibility of an accidental oil discharge during Unocal's construction activities still exists.

Unocal will place an emergency spill response trailer at the work site to provide immediate response should any residual oil be released during project operations. Included in Unocal's equipment inventory is 40 feet of sorbent boom that can be deployed immediately to protect the Pismo Creek riparian corridor and the nearby shoreline at Pismo State Beach from oil in the event of a spill. Unocal personnel are trained to deploy response equipment in the event of a release.

Unocal is also a member of the Clean Seas oil spill cooperative located in Santa Barbara County. Clean Seas has in its inventory over 54,000 feet of boom including open ocean,, offshore, nearshore and protective boom. Clean Seas has three Oil Spill Response Vessels (OSRV), Mr. Clean, Mr. Clean II and Mr. Clean III, which are usually moored at Santa Barbara Harbor, Point Arguello and Port San Luis. Mr. Clean III, at Port San Luis, would be dispatched to an oil spill near Pismo Creek. In addition, Unocal has prepared oil spill containment and cleanup plan which is part of the Northern California Division Pipeline and Terminals - Coast Area Oil Spill Contingency Plan, dated February 23, 1996.



Notwithstanding the extensive oil spill containment and clean-up equipment provided by Unocal and Clean Seas, the Commission finds that the second requirement of Coastal Act Section 30232, which requires effective containment and cleanup equipment for spills, cannot be met at this time. The Commission interprets the word "effective" to mean that containment and recovery equipment must have the ability to keep oil off the coastline. Unfortunately, the state-of-the-art is such that no equipment currently available has the capability to recover all oil from even small spills into riparian and marine environments.

Therefore, notwithstanding the response equipment provided by Unocal and by Clean Seas, the ability to contain and clean up an oil spill does not exist at this time. The proposed project is thus inconsistent with the second requirement of Section 30232 of the Coastal Act.

#### **4.4.2 Marine Resources and Environmentally Sensitive Habitat**

Coastal Act Section 30230 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.*

Coastal Act Section 30231 states:

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

Coastal Act Section 30240 states:

*(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 those areas, and shall be compatible with the continuance of those habitat and recreation areas.*

Adverse impacts to marine water quality, marine resources and environmentally -sensitive habitat areas (ESH) in the project vicinity may result from routine, project-related activities. The proposed

project would be installed via slant drilling below Pismo Creek, approximately 800 feet upstream of the Pismo Creek estuary.

### Water Quality and Marine Resource Impacts

As discussed previously, Unocal has developed procedures to minimize the water quality and marine resource impacts of the proposed project. Prior to any excavation work, the pipelines in the construction site right-of-way will be shut down, flushed, and the effluent removed via Baker Tank. The pipeline will not be cut at the tie-in location (setback at least 200 feet from the creekbank) until liquid effluent has been removed. The slant drilling operation beneath the creekbed will take place at a depth of at least 20 feet below the creekbed and is not expected to affect the creekbed at all. If turbidity is observed in Pismo Creek (a sign of creekbed destabilization) drilling operations would cease immediately. The applicant has submitted the results of borings and laboratory tests conducted by Earth Systems Consultants (dated September 29, 1995) which indicate that the soil horizons beneath Pismo Creek are adequate to support the proposed slant drilling construction method. Although the consultant did encounter groundwater at roughly creek elevation, it was not continuous with depth in any of the borings. Therefore, groundwater resources should not be adversely affected by the proposed project.

The Commission therefore finds that the project has been designed to minimize adverse impacts to water quality and marine resources.

### Western Snowy Plover

The project site is located approximately 650 feet upstream of an area where one of the rarest shorebirds in California, the Western Snowy Plover (*Charadrius alexandrinus nivosus*), may nest. The Western Snowy Plover is listed by the California Department of Fish and Game as a Species of Special Concern and is listed as a Threatened Species by the U.S. Fish and Wildlife Service. Two of the plover's eight major breeding areas (the Morro Bay area and the Nipomo Dunes area) are located in San Luis Obispo County. Plovers breed and nest in Pioneer Coastal Dunes, dune-backed beaches, bare beach strands, sandspits, and open areas around the mouths of fresh water and estuary sources. Many of these habitats are quite similar to those adjacent to the proposed project, which include a dune area and an open, dry blowing sand flat on the north side of Pismo Creek (EIR 124-140, City of Pismo Beach, December 1994, and Biological Evaluation prepared by Unocal Consulting Biologist Diane Mitchell, PhD, dated March 1996).

Human use of nesting beaches has been the greatest factor in the decline of the Western Snowy Plover, particularly because the period of heaviest use coincides with the bird's breeding season (March 15 - September 15). Even activities such as sunbathing, walking and jogging can cause the birds to abandon their nests, leaving the eggs and chicks defenseless to predators (ravens, gulls, feral cats). Human disturbance can even cause birds to abandon entire nesting areas.

The drilling and construction activities proposed by Unocal would entail substantial noise levels and human disturbance in the general area of potential Western Snowy Plover nesting sites. Although these activities are to be completed within approximately three weeks or less, the potential disruption to nesting activities is significant. Therefore, the Commission requires in **Special Condition 1** that the proposed activities must commence and conclude between September 15 and March 15 of the following year to ensure that adverse impacts to the Western Snowy Plover are avoided.

### Pismo Creek

Unocal's proposed staging, drilling, and tie-in area is within 200 feet of Pismo Creek. An Environmental Impact Report prepared by the California Polytechnic State University's Biological Sciences Department in December, 1994, found that as many as 27 sensitive species could have been adversely affected by disruptions to Pismo Creek and the downstream estuarine environment.

Some portions of the lower reaches of Pismo Creek provide suitable habitat for the California Red-legged Frog (*Rana aurora draytonii*), listed in May, 1996 as a federally threatened species, the Southwestern Pond Turtle (*Clemmys marmorata pallida*), a State Species of Special Concern and candidate for federal listing, and the federally endangered Tidewater Goby (*Eucyclogobius newberry*). No sensitive terrestrial plant or animal species have been identified in the immediate area. The Red-legged Frog and the Southwestern Pond Turtle would not be affected by the project-related construction activities because setbacks are adequate to ensure that no trampling of riparian habitat would occur, and because the slant drilling project is designed to entirely avoid impacts to the stream area. Further, the streambanks in the immediate project area have already been altered by extensive placement of rip-rap, further limiting the habitat potential of the immediate project area. The slant drilling should not affect the creekbed and therefore should not increase turbidity in the waters of Pismo Creek. Thus, adverse impacts to the Tidewater Goby would not occur. Unocal will monitor the creek for turbidity during the slant drilling operation and will stop the drilling immediately if any turbidity is observed.

The slant drilling operation will be staged on an existing paved road, further minimizing the potential for site disturbance and resultant discharge of sediments into the riparian corridor. Unocal has not determined the disposal site for the drilling solids that will remain after the slant drilling operation is completed. Prior to issuance of the permit, **Special Condition 3** requires Unocal to submit for the Executive Director's review and approval the site selected for disposal of drilling spoils, if the site is located within the coastal zone. This condition ensures that disposal of drilling wastes will not adversely affect the riparian or marine environment.

### Conclusion

Unocal has incorporated a number of mitigation measures into the proposed project that will, in combination with **Special Conditions 1 and 3** of this permit, reduce potential impacts of the proposed project to marine water quality, marine resources and environmentally sensitive habitat

areas. The proposed project is therefore consistent with Coastal Act Sections 30230, 30231 and 30240(b).

#### **4.4.3 Visual Resources**

Coastal Act Section 30251 states:

*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 landforms, 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.*

The proposed project will not result in any long-term adverse aesthetic impacts or changes to the visual character of the area. After construction, the exposed pipelines will be reburied, debris will be removed, and the construction area will be returned to its pre-construction state. Any adverse visual effects of the proposed project will be short-term since the project is to last less than three weeks. Further, as conditioned by **Special Condition 1**, the project will be constructed during off-peak seasons for coastal visitors, thereby avoiding adverse affects to public views near the Cypress Street pedestrian bridge when the greatest numbers of people are present. The Commission therefore finds the project consistent with Coastal Act Section 30251.

#### **4.4.4 Public Access/Recreation**

Coastal Act Section 30210 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.*

Coastal Act Section 30211 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.*

There will be construction-related impacts to traffic flow through the Pismo Beach area near the construction site. The applicant will close one lane of Dolliver Street (which is Highway 1 through the City) for intervals lasting several days at a time during various phases of construction, and some

interruptions to pedestrian use of the Cypress Street Bridge will also occur. If the project were undertaken during the peak tourist season, traffic delays could adversely impact access to the popular, nearby Pismo State Beach and other coastal areas. However, **Special Condition 1** requires the project to be completed on weekdays between September 15 and March 15. The Commission finds that this construction schedule, which avoids peak tourist season and weekends, will minimize any inconveniences caused to the public. The Commission therefore finds the project consistent with Sections 30210 and 30211 of the Coastal Act.

#### 4.4.5 Archaeological Resources

Coastal Act Section 30244 states:

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

According to the Mitigated Negative Declaration prepared by the City of Pismo Beach for this project, the construction area is not known to contain cultural resources. However, the possibility of encountering cultural remains during any excavation of a coastal area cannot be completely ruled out. The City of Pismo Beach is requiring that if Unocal encounters any archaeological remains during trenching or drilling operations, Unocal is to immediately cease any activity that could damage or destroy the resources until the site has been examined by a qualified archaeologist. The City further requires that construction not resume in such case until appropriate mitigation measures have been implemented. The Commission therefore finds the project consistent with Section 30244 of the Coastal Act.

#### 4.4.6 Air Quality

Coastal Act Section 30253(3) states:

*New development shall be consistent with requirements imposed by an air pollution control district or the State Air Resources Control Board as to each particular development.*

Short-term localized construction-related air quality impacts are expected to occur as a result of project operations. However, based on the short duration of the construction and the small amount of excavation activity, project-related emissions are not expected to exceed Air Pollution Control District (APCD) standards, thus no permit from the APCD is required. Additionally, Unocal has committed to transporting dirt and/or drilling solids in trucks with liners and covers over loads, and to halt construction when excessive winds make particulate control via watering, etc., difficult. The Commission therefore finds the project consistent with Section 30253(3) of the Coastal Act.

#### 4.4.7 Coastal Act Section 30260 "Override" Provision

In Section 30260, the Coastal Act provides for special consideration of coastal-dependent industrial facilities that may otherwise be found inconsistent with the Coastal Act's Chapter 3 resource protection and use policies. As described in Section 4.4.1 of this report, the proposed project does not meet the standards of Coastal Act Section 30232 due to the potential for and significant impacts caused by an oil spill. Since the proposed project, a key component in the infrastructure serving a marine terminal qualifies as a "coastal-dependent industrial facility" the commission may nevertheless approve the project if the three requirements of Section 30260 can be met. This section 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 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 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 terminals are coastal-dependent development types that are given priority in the Coastal Act over other types of development on or near the shoreline. The Summit Line is a key component of the infrastructure serving the marine terminal at Avila Beach.

##### a. Alternative Locations

The Commission may approve the proposed development if, notwithstanding the project's inconsistency with one or more policies of Chapter 3, it finds that alternative project locations are infeasible or more environmentally damaging. The purpose of this project is to replace a section of an existing pipeline. The new section will also cross Pismo Creek, but will be installed via slant drilling technology to a depth of at least 20 feet beneath the creekbed. Since the new section must reconnect with the existing pipeline, any alternative locations are infeasible. The Commission does not thus reach the question of whether the project is sited in the least environmentally damaging location. The project is therefore consistent with the first test of Section 30260.

##### b. Public Welfare

The second test of Section 30260 states that nonconforming coastal-dependent industrial development may be permitted if "to do otherwise would adversely affect the public welfare..." The 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 a detriment to the public welfare were the Commission to deny a permit for the proposed project.

Unocal's proposal to relocate and replace a section of the Summit Line is a voluntary preventative measure. The objective of the project is to improve pipeline safety and to bring the pipeline into compliance with applicable regulations. The new section will be made of a superior grade of steel, with thicker walls, better pipeline coating, and will be protected on each side of the creek crossing by mainline shutoff valves that can be operated manually to isolate the creek section.

As discussed in this report, notwithstanding the project's potential short-term construction impacts, the proposed project will reduce the potential for an oil spill in the long-term by improving Unocal's ability to isolate Pismo Creek in the event of an oil spill (new mainline shutoff valves) and by placing the new section approximately 20 feet below the creekbed. The depth of the pipeline will limit possible third party damage to the pipeline.

Thus, denial of the project may be detrimental to the public's welfare because it would prevent the implementation of measures that will reduce the risk of an oil spill in the waters of San Luis Obispo County.

However, in addition to determining whether a refusal to allow the project to be carried out at all would adversely affect the public welfare (which the Commission has answered in the affirmative), the Commission must also determine whether a refusal to allow the project to be carried out in precisely the manner proposed by the applicant would adversely affect the public interest.

In previous sections of these findings, the Commission has identified and outlined the valuable public policy goals that will be furthered by imposing additional mitigation measures. The question thus becomes whether the conditions of this permit which impose additional mitigation upon the applicant will have an adverse effect on the public interest. The applicant has made no showing that such requirements are financially or otherwise infeasible. Therefore, the Commission finds that the proposed pipeline section relocation and replacement, as conditioned by this permit, will not have an adverse effect on the public welfare. The proposed project is therefore consistent with the second test of Section 30260.

### **c. Maximum Feasible Mitigation**

The third test in Section 30260 requires a finding that the adverse environmental impacts of a proposed project have been mitigated to the maximum extent feasible. As discussed in Section 4.4.1 of this report, the Commission has determined that the project is inconsistent with Section 30232 due to the potential for and resulting impacts of an oil spill. However, the Commission believes that notwithstanding the limitations in current oil spill containment and clean-up technology, the measures proposed by Unocal represent the maximum prevention, containment and clean-up capabilities feasibly available at this time. The Commission therefore finds that the potential impacts generated by the proposed project have been mitigated to the maximum extent feasible.

#### **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 impact review process. CEQA requires consideration of alternatives to a proposed project, including those less environmentally damaging, and the consideration of mitigation measures to minimize or lessen any significant environmental impacts. Although the Commission finds that the pipeline replacement project may pose a threat to the environment due to the potential for an oil spill, the Commission finds there are no feasible less environmentally damaging alternatives or additional feasible mitigation measures which would substantially lessen any significant adverse impacts which the activity may have on the environment, other than those identified herein. The Commission also finds that the public benefit of this project, when considered in relation to its impacts, provides overriding considerations supporting its approval under CEQA.

E-95-8.DOC

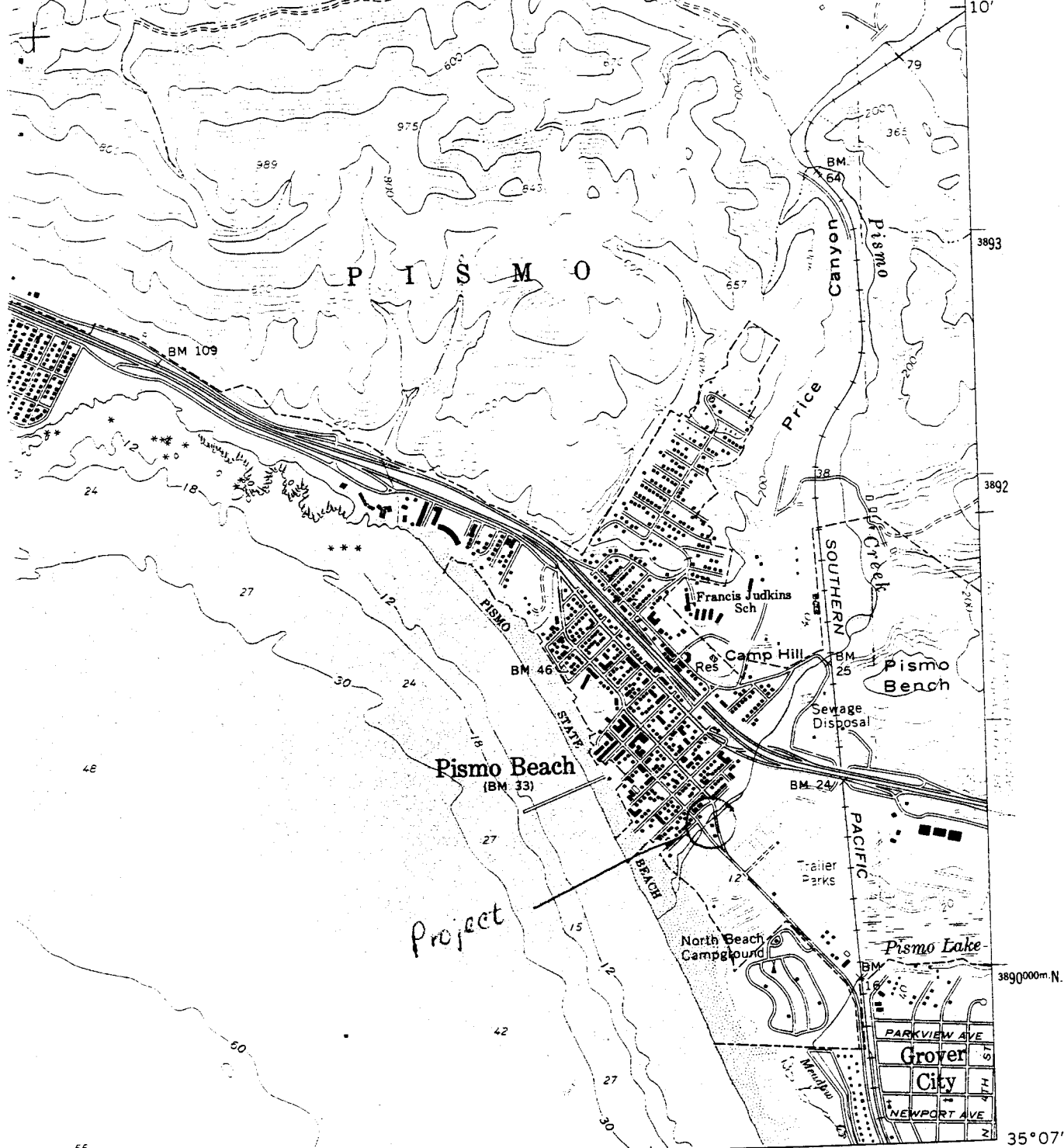


**APPENDIX A: Substantive File Documents**

1. Coastal Development Permit Application E-95-8.
2. City of Pismo Beach Mitigated Negative Declaration.
3. Letter from Jane Sekelsky, Chief, Land Management Division, California State Lands Commission, to Kim Tulledge, Cannon Associates, October 26, 1995.
4. City of Pismo Beach, EIR 124-140 Addie Street, December 1994.
5. "Evaluation of Sensitive Habitat, 12-inch Summit Oil Line Replacement Project, Dolliver, Addie, and Cypress Streets, Pismo Beach, California" prepared for Unocal California Pipeline Company by Diane L. Mitchell, PhD, Consulting Biologist, dated March 1996.
6. City of Pismo Beach Encroachment Permit 96-7 revised on April 26, 1996.
7. City of Pismo Beach Encroachment Permit 96-7 dated February 1, 1996.
8. Notice of Action by City of Pismo Beach on a Coastal Development Permit No. 95-120, dated November 28, 1995.
9. Letter from Kim Tulledge, Cannon Associates, to Melanie Hale, Commission Staff, dated April 29, 1996.
10. Letter from City of Pismo Beach Public Works Department, Larry Versaw to Frank Nichols, Unocal Pipeline Company, dated April 11, 1995.
11. Letter from Unocal Pipeline Company, Frank Nichols, to Larry Versaw, City of Pismo Beach Public Works Department, dated April 19, 1996.
12. Letter from Unocal Pipeline Company, Frank Nichols, to Melanie Hale, Commission staff, dated April 5, 1996.
13. "Evaluation of Accident Data and Federal Oversight of Petroleum Product Pipelines," Pipeline Special Investigation Report, National Transportation Safety Board, adopted January 23, 1996.
14. Letter from Unocal Pipeline Company, Frank Nichols, to Melanie Hale, Commission staff, dated March 15, 1996.

## APPENDIX B: 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.



66 713 714 715000m.E. 120° 37' 30" 35° 07' 30" 3890000m.N.

ROAD CLASSIFICATION

Heavy-duty	—————	Light-duty	—————
Medium-duty	—————	Unimproved dirt	-----
U. S. Route		State Route	



PISMO BEACH, CA  
N3507.5-W12037.5/7.

1965  
PHOTOREVISED 1977  
AMS 1854 II NW-SERIES

<b>EXHIBIT NO. 1</b>
<b>APPLICATION NO. E-95-8</b>
<i>Unocal</i>
California Coastal Commission

2  
Elevations shown in purple compiled from aerial photographs taken 1975  
This information for field check. Map edited 1979

PISMO BEACH

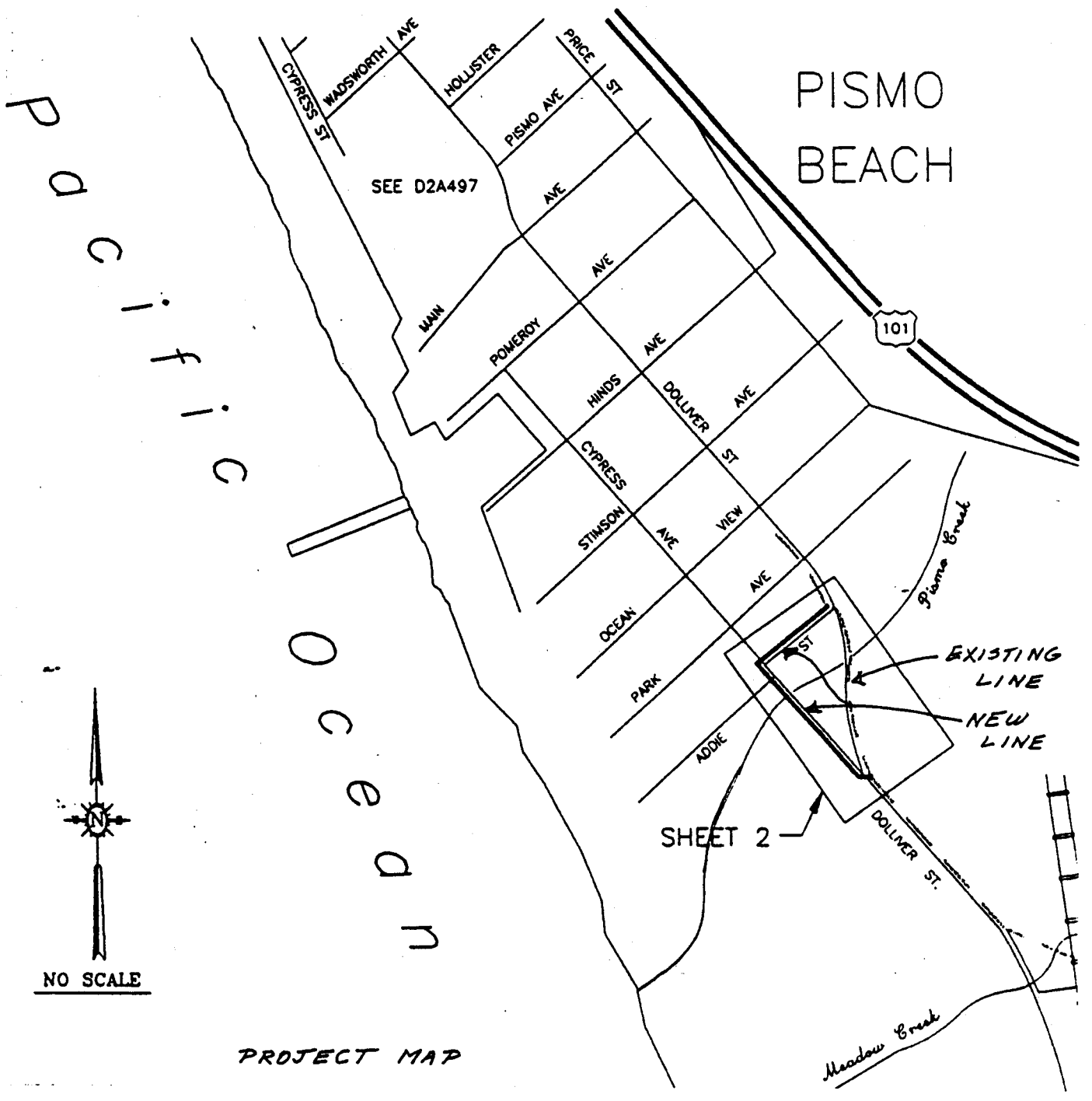
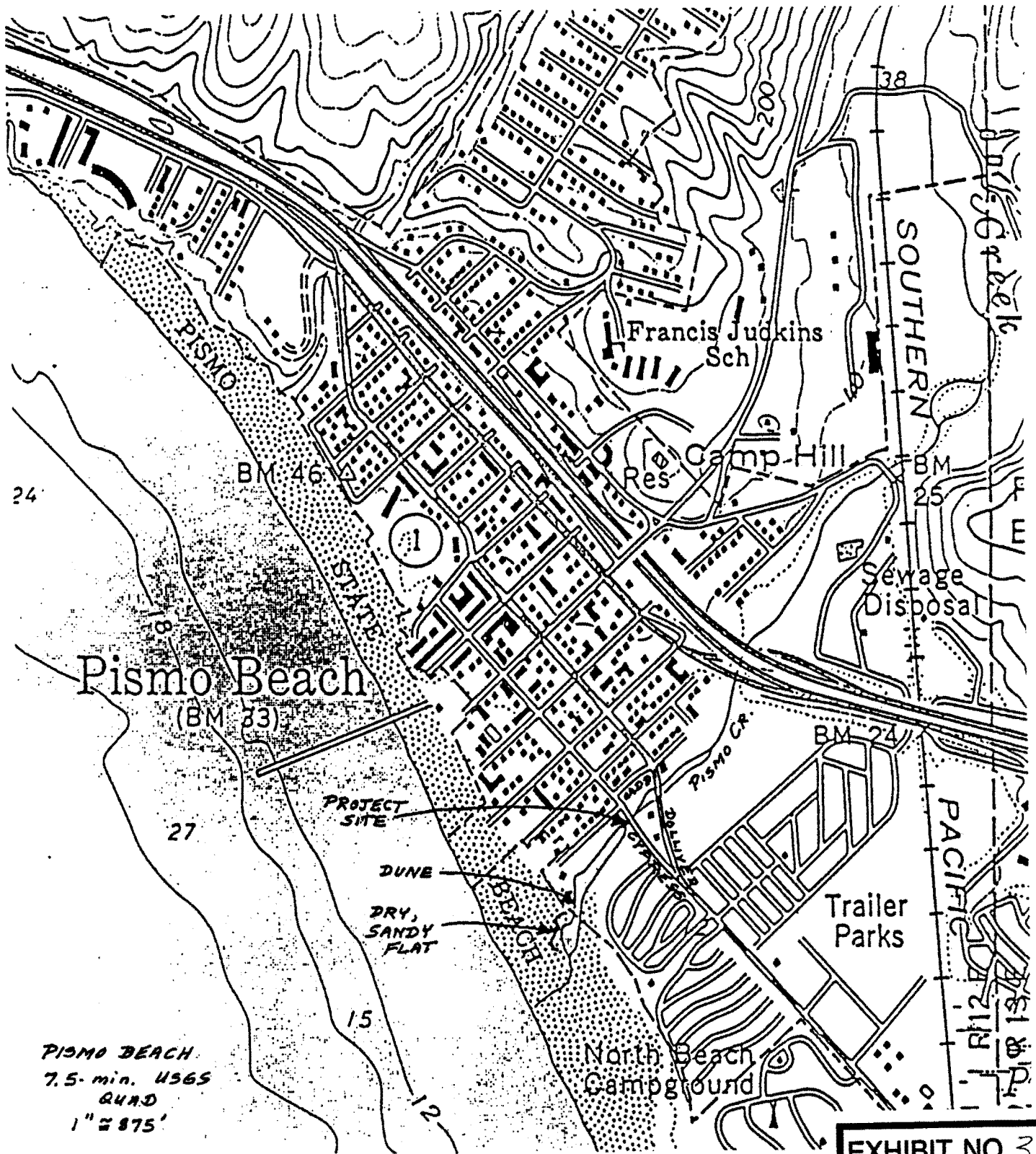


Fig. 1. Project location along city streets.

<b>EXHIBIT NO. 2</b>
<b>APPLICATION NO.</b> E-95-8
<i>Unocal</i>
California Coastal Commission



PISMO BEACH  
 7.5-min. USGS  
 QUAD  
 1" = 875'

Fig. 2. Approximate locations of sensitive habitats

<b>EXHIBIT NO. 3</b>
APPLICATION NO. E-95-8
<i>Unocal</i>
California Coastal Commission

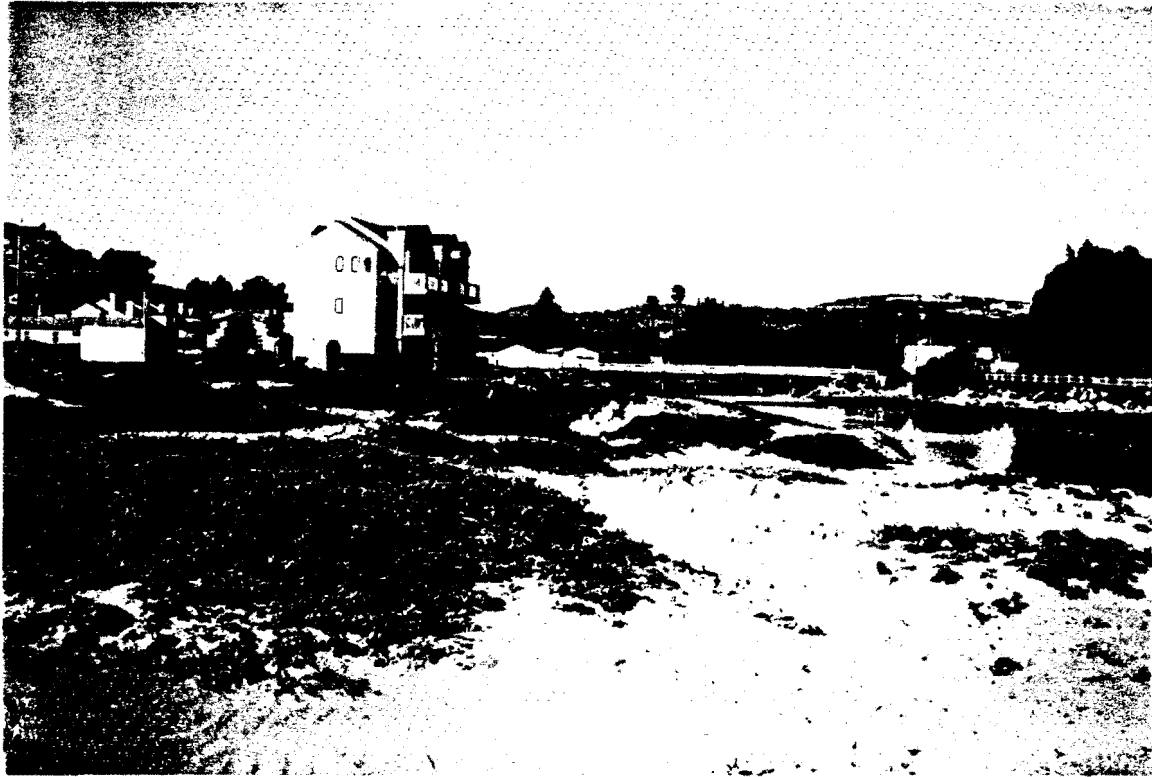


Looking upstream to the Dolliver Street bridge.



View upstream to the Cypress Street bridge.


EXHIBIT NO. 4
APPLICATION NO. E-95-8
Unocal
California Coastal Commission



Small, disturbed sand dune area (north bank of creek).



From sand dune, downstream view of "sandy flat" (right

EXHIBIT NO. 5
APPLICATION NO. E-95-8
Unocal
 California Coastal Commission

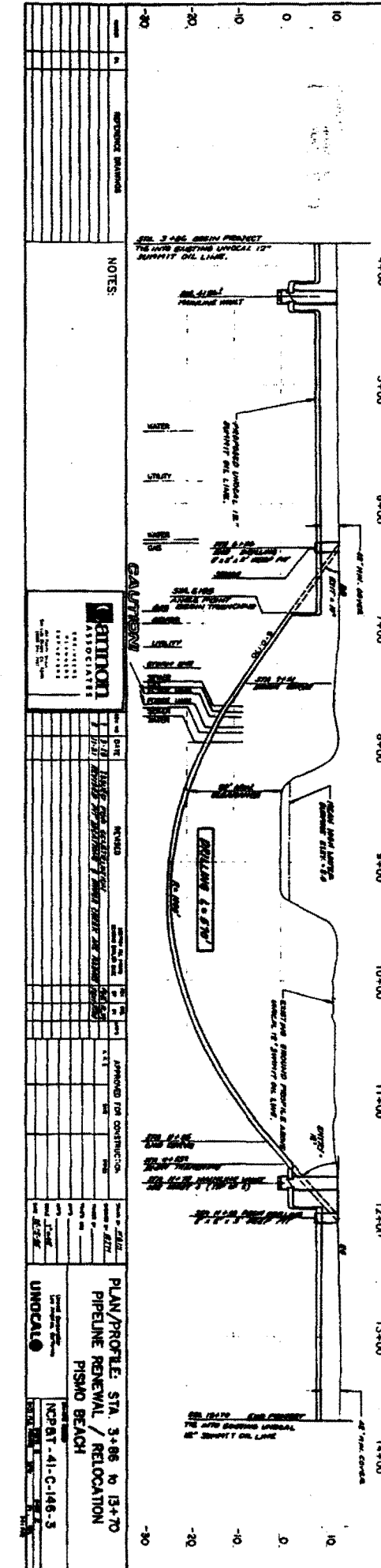


FIG. 3-66L BRUN PROJECT  
 THE INFO EXISTING UNDOCK 10'  
 SUPPLY OIL LINE.

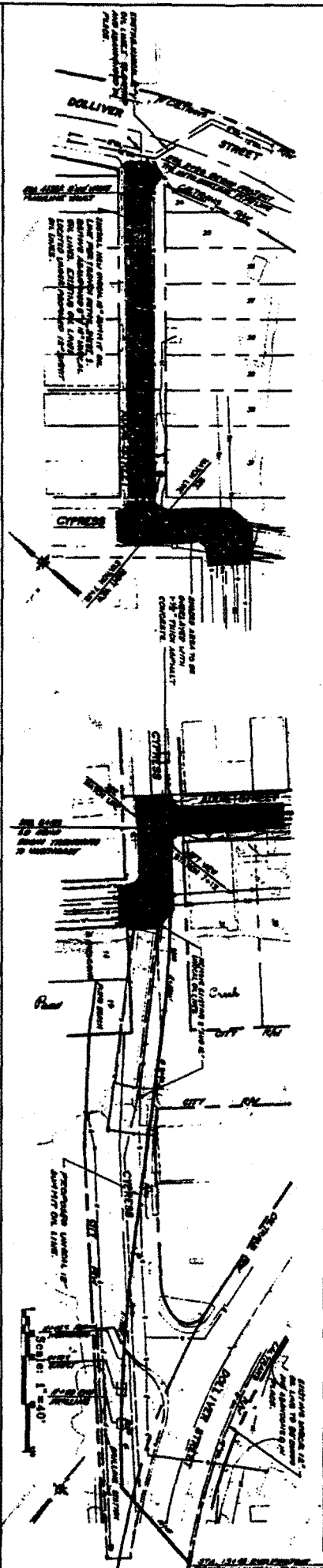


FIG. 3-66L BRUN PROJECT  
 THE INFO EXISTING UNDOCK 10'  
 SUPPLY OIL LINE.



NOTES:



BRUN ASSOCIATES  
 ENGINEERS  
 ARCHITECTS  
 SURVEYORS  
 1234567890  
 STREET  
 CITY, STATE

REV.	DATE	BY	CHKD.	DESCRIPTION
1	1/21	JAV	MM	AS BUILT FROM EXISTING RECORD DRAWINGS
2	1/21	JAV	MM	ADD BRUN ASSOCIATES DRAWING NUMBER
3	1/21	JAV	MM	ADD BRUN ASSOCIATES DRAWING NUMBER
4	1/21	JAV	MM	ADD BRUN ASSOCIATES DRAWING NUMBER
5	1/21	JAV	MM	ADD BRUN ASSOCIATES DRAWING NUMBER

PLAN/PROFILE STA. 3+98 TO 13+70  
 PIPELINE RENEWAL / RELOCATION  
 PISMO BEACH

UNOCAL  
 NP 61-41-C-148-3

**EXHIBIT NO. 6**

**APPLICATION NO.**  
 E-95-8

*Unocal*

California Coastal Commission