

CALIFORNIA COASTAL COMMISSION

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

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**PERMIT AMENDMENT
STAFF RECOMMENDATION
REGULAR CALENDAR**

APPLICATION FILE NO.: E-92-6-A2

APPLICANT: Gaviota Terminal Company (GTC)

PROJECT DESCRIPTION: In-place abandonment and/or removal of the offshore components of the Gaviota Interim Marine Terminal.

PROJECT LOCATION: State Tide and Submerged Lands Lease PRC 7075.1, offshore of Gaviota, Santa Barbara County. (Exhibits 1 & 2)

SUBSTANTIVE FILE DOCUMENTS: See Appendix A

SYNOPSIS

In 1987, the Coastal Commission granted to the Gaviota Terminal Company (GTC) Coastal Development Permit (CDP) E-87-4 for the construction and temporary operation of the Gaviota Interim Marine Terminal (GIMT) at Gaviota in Santa Barbara County. The GIMT was constructed for the purpose of transporting crude oil by marine tankers to Los Angeles area refineries. In CDP E-92-6, issued in 1993, the Commission extended GTC's authority to operate the terminal until January 1, 1996. GTC has now terminated operation of the offshore components of the marine terminal. In this amendment application GTC proposes to permanently abandon offshore components of the facility. The onshore portions of the facility will continue to be operated to support onshore oil transportation.

The proposed project involves the removal in part and in-place abandonment of the remaining portions of three pipelines and associated equipment offshore of the GIMT. GTC proposes to remove entirely the pipeline end manifold (PLEM) which is located 3,500 feet offshore in 65 feet of water, two flexible, loading hoses, and one hydraulic tubing bundle. The 30-inch, crude oil pipeline, and four vapor recovery lines will be removed from the beach through the surf zone with the remaining portions to be capped and abandoned in place. Flowline removal will require onshore excavation at the GIMT landfall. The project is expected to take four to six weeks to complete.

Table 1 (pg. 3) summarizes project-related significant issues, potential impacts, and the mitigation measures that the applicant will need to implement to avoid, or reduce to insignificance, any impacts. The staff believes that the proposed project, as conditioned, is consistent with Coastal Act policies. The staff recommends approval of the project as conditioned.

STAFF NOTE: The Commission staff is in the process of analyzing information recently received regarding the valuation of nearshore kelp habitat to determine appropriate compensation for temporary loss of kelp habitat until natural recovery occurs. The staff may be preparing supplemental conditions and findings to be distributed as soon as possible.

Table 1. Issue Summary: Potential Project-Related Impacts and Mitigation Measures

Potential Impact	Analysis
Oil Spill	<p>Issue: A 60 barrel spill due to a catastrophic hose or connection failure at the initiation of the seawater flushing of the 16-inch, loading hose string is the project's worst case oil spill scenario.</p> <p>Mitigation Measures: <u>GTC will:</u></p> <ul style="list-style-type: none"> • flush and clean all lines and test to assure that the pipeline contents are tested to assure that residual oil and grease content is below 30 ppm prior to cutting or disconnection in accordance with Special Condition 5. • deploy the work vessel anchors in accordance with its approved anchoring plan to avoid accidental damage to the pipeline. • maintain a vacuum on the pipeline to minimize the release of crude oil in the event that the line is damaged, and will monitor the structural integrity of the line throughout the project. GTC will correct any compromise to the pipeline's structural integrity as necessary. • inspect and test the loading line and repair any leaks detected prior to seawater pumping. • maintain a vessel capable of deploying oil spill response equipment on site within 30 minutes, maintain additional oil spill response supplies and equipment on shore at the terminal, and will train its contractor(s) in the relevant portions of its Oil Spill Response Plan. • use the Clean Seas cooperative which maintains additional oil spill response supplies and equipment on shore at the terminal, and is capable of supplying an oil spill response vessel to the site within two hours.
Marine Resources	<p>Issue: The nearshore pipeline removal work will damage kelp habitat.</p> <p>Mitigation Measures:</p> <ul style="list-style-type: none"> • GTC will fund pre- and post-abandonment surveys of the project area to assess the quantity and location of kelp habitat in the project area and any damage to kelp caused by project activities (Special Condition 1). • GTC will prepare an anchoring plan based on the pre-abandonment survey designed to minimize damage to kelp (Special Condition 2). • In accordance with Special Condition 4, the nearshore components of the proposed project will be undertaken during the summer at which time kelp plants in the area are at their lowest level of productivity. • GTC will tether the offshore ends of the pipelines to reduce lateral movement while the lines are winched ashore. • GTC will train its contractor(s) to recognize and avoid kelp habitat to the extent feasible. • In accordance with Special Condition 8, GTC will fund independent surveys and monitoring to assess the level of impact resulting from the project to kelp habitat and to monitor the recovery of the habitat. • GTC will fund an independent monitoring program to determine whether kelp damaged as a result of the proposed project is naturally restored after a period of 18 months (Special Condition 6). • If monitoring does not demonstrate full recovery of the damaged habitat after 18 months, GTC shall contribute \$120,000 to the University of California to be spent for a scientific program to develop, test and implement methods for restoring nearshore kelp habitat as compensation for unavoidable damage to kelp habitat, as required under Special Condition 7. <p>Issue: The nearshore pipeline removal work could impact hard bottom, surf grass, and eelgrass located at the project site.</p> <p>Mitigation Measures:</p> <ul style="list-style-type: none"> • GTC will fund a pre-abandonment survey of the project area to assess the quantity and location of hard bottom, eelgrass and surf grass in the project area. • GTC will prepare an anchoring plan based on the pre-abandonment survey designed to <u>avoid</u> damage to hard bottom, eelgrass and surf grass. • Special Condition 3 requires that in the event that the survey and/or anchoring plan demonstrate that the proposed project would result in unavoidable impacts to eelgrass, surf grass or hard bottom, GTC shall obtain Commission approval of appropriate resource mitigation plans prior to

	commencement of abandonment activities.
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1.0 STAFF RECOMMENDATION

Approval With Conditions

The staff recommends conditional approval of the permit amendment application.

Motion:

I move that the Commission approve Coastal Development Permit Amendment Application No. E-92-6-A2, subject to the conditions specified in the staff recommendation dated May 2, 1997.

The staff recommends a YES vote. To pass the motion, a majority vote of the Commissioners present is required. Approval of the motion will result in the adoption of the following resolution.

Resolution:

The Commission hereby **grants** permit amendment E-92-6-A2, subject to the conditions specified below, on the grounds that (1) as conditioned the development will conform with the provisions of Chapter 3 of the California Coastal Act and (2) will not cause any significant adverse environmental impacts within the meaning of the California Environmental Quality Act.

2.0 STANDARD CONDITIONS

See Appendix B.

3.0 SPECIAL CONDITIONS

The Commission grants this permit amendment subject to the following special conditions:

1. Biological Survey Plans

Prior to commencement of abandonment activities, GTC shall obtain final approval from the executive director for a revised biological survey work plan. The plan shall describe the pre- and post-abandonment surveys and analytical methods for the purpose of assessing adverse impacts to marine resources attributable to the project, and shall include but not necessarily be limited to: (1) location of all hard bottom habitat within the project area; (2) delineation of all areas disturbed due to abandonment activities; and (3) density, distribution, and age class of kelp species (including *Macrocystis spp.*, *Pterygophora spp.*, *Egregia spp.*, and *Cystoseira spp.*), eelgrass (*Zostera spp.*) and surf grass (*Phylospadix spp.*) within the nearshore flowline removal area (treatment area) and in an appropriately sited control area(s). The surveys shall be conducted by an independent consultant selected by the executive director in accordance with the procedures described under **Special Condition 8**.

2. Anchoring Plan

Prior to commencement of abandonment activities, GTC shall submit for the review and approval of the executive director a final anchoring plan. The anchoring plan shall demonstrate to a level of

certainty acceptable to the executive director that the project will not cause any adverse impacts to kelp, eelgrass, surf grass, and hard bottom identified in the pre-abandonment survey.

3. Eelgrass, Surf Grass, and Hard Bottom Mitigation

If the pre-abandonment survey and anchoring plan reveal that project activities will result in unavoidable damage to surf grass, eelgrass, or hard bottom, prior to the commencement of abandonment activities GTC shall obtain from the Coastal Commission an amendment to this permit to provide feasible measures to mitigate said impacts.

4. Nearshore Project Work Schedule

All nearshore flowline removal work shall be commenced between July 20 and September 20.

5. Pre-discharge Sampling

Prior to cutting or disconnecting any pipelines, GTC shall submit to the executive director sampling data verifying that the water in the lines contain less than 30 ppm oil and grease.

6. Habitat Recovery Monitoring Plan

Prior to commencement of abandonment activities, GTC shall obtain final approval from the executive director for a nearshore habitat recovery monitoring plan. The plan shall describe sampling methods that will be used to collect data concerning the density, age class, and species distribution of the kelp species impacted by project activities within the treatment and control site. Monitoring surveys shall be conducted on a quarterly basis for an 18-month period. Unless further refined under the approved habitat recovery monitoring plan, the criteria for determining full recovery shall be defined as 100% recovery of pre-abandonment kelp habitat as described in terms of density, age class and species distribution with adjustment for natural variation as determined by control site surveys. The monitoring program shall be conducted by an independent consultant selected by the executive director in accordance with the procedures described under **Special Condition 8**.

7. Compensation for Impact to Kelp Habitat

If the habitat recovery monitoring program fails to demonstrate full recovery of the damaged kelp habitat after 18 months, GTC shall contribute \$120,000 to the University of California to fund a scientific study to develop, test, and demonstrate economically feasible methods to restore nearshore kelp habitat. Prior to the disbursement of these funds, the Coastal Commission will enter into an agreement with the University of California to designate that this money shall be spent by either the Southern California Educational Initiative or another suitable program for the development and implementation of the above described study. Prior to issuance of this permit amendment, GTC shall submit to the executive director an irrevocable, unconditional letter of credit to ensure that these funds will be available if needed.

8. Independent Surveys and Monitoring

The executive director, in consultation with the State Lands Commission and the County of Santa Barbara, shall select the consultant(s) who will conduct the impact assessment (pre- and post-abandonment) and monitoring surveys required under **Special Conditions 1 and 6**. GTC shall fund the costs of the biological survey and monitoring work in advance of the execution of the subject contract and shall direct the necessary funds to the County of Santa Barbara or another administering agency as designated by the executive director. Contract administration and management arrangements will be specified in a letter of agreement between the executive director and the administering agency.

9. Lease Termination Agreement

Prior to the issuance of this permit amendment, GTC shall submit to the executive director a copy of the fully executed and signed agreement for the termination of State Lands Lease No. PRC 7075.1.

10. Marine Biological Impact Reduction Plan

Prior to issuance of this permit amendment, GTC shall submit to the executive director the final Marine Biological Impact Reduction Plan as approved by the County of Santa Barbara and the State Lands Commission.

11. Air Quality

Prior to issuance of this permit amendment, GTC shall submit to the executive director a copy of the Santa Barbara County Air Pollution Control District Authority to Construct for the proposed project.

12. Extensions

Extensions to any deadline specified herein may be granted by the executive director for good cause. Any request for an extension must be made in writing no less than 5 working days prior to expiration of the subject deadline.

4.0 FINDINGS AND DECLARATIONS

The Commission find and declares as follows:

4.1 Project Background

In 1987 the Commission granted Coastal Development Permit (CDP) E-87-4 to the Gaviota Terminal Company (GTC) for the construction and temporary operation of the Gaviota Interim Marine Terminal (GIMT) at Gaviota in Santa Barbara County. The purpose of the GIMT is the transportation of crude oil by marine tankers to Los Angeles area refineries. Permit E-87-4 required that operation of the GIMT cease either: (1) within 90 days after pipelines are operational to both the Texas Gulf Coast and Los Angeles; (2) within 90 days of availability of Exxon's Las Flores Canyon Consolidated Marine Terminal; or (3) August 1, 1991, whichever occurred first. The Commission extended CDP E-87-4 in June 1991, to August 1, 1992. Under

CDP E-92-6, the Commission extended GTC's authority to operate the terminal until January 1, 1996. Special Condition MM-28 of CDP E-92-6 requires GTC to obtain a permit amendment for the abandonment of the terminal.

4.2 Project Location

The onshore portion of the GIMT is located on an approximately 46-acre, bluff top site, above a gradually sloping, sandy beach at Gaviota, Santa Barbara County. The property consists of two adjacent parcels, separated by a Southern Pacific Railway right-of-way. The site is bounded to the east and the west (up coast and down coast) by the Gaviota State Beach, and to the north by U.S. Highway 101. The parcels are zoned Coastal Dependent Industry (M-CD), and a portion of the site is designated by the County as a view corridor and an environmentally sensitive habitat area. The area is drained by two, intermittent streams, Canada del Cementerio and Canada Alcatraz, and several archaeological sites have been identified nearby.

The offshore portion of the project site is the subject of State Oil and Gas Lease PRC 7075.1. The lease extends approximately 3,500 feet offshore. The sea floor substrate is primarily sandy with high-relief, rock outcroppings and isolated boulders extending from the surf zone to a depth of approximately 30 feet. The site contains scattered kelp beds in the nearshore area between depths of approximately 30 and 55 feet.

4.3 Project Description

GTC proposes to abandon the offshore portions of the GIMT. The facilities which will be removed or abandoned, and their disposition, are:

- Two flexible loading hose strings (to be removed);
- One pipeline end manifold (PLEM) and appurtenant equipment including a protective cage and four 14-inch pilings (PLEM and cage to be removed, pilings cut at 3 feet or deeper below the mud line);
- One 30-inch, steel, crude oil loading line coated with 2.25 inches of concrete approximately 3,500 feet long (to be removed through the surf zone to the 15-foot depth contour with the remainder to be filled with sea water and abandoned in place);
- Two 10 3/4 inch polyethylene vapor recovery pipelines inserted in two abandoned 12 inch steel lines to 2,400 feet offshore (to be removed through the surf zone to the 15 foot depth contour with the remainder to be filled with sea water and abandoned in place);
- Two 12 inch polyethylene vapor recovery pipelines encased with cement for approximately 1,100 feet from 2,400 feet offshore to 3,500 feet offshore (to be filled with sea water and abandoned in place); and
- One hydraulic tubing bundle consisting of two 1/2-inch stainless steel tubes and a one-inch steel cable 3,500 feet long (to be removed entirely).

Approximately 3,000 feet of offshore lines will be abandoned in place from the 15-foot depth contour to the PLEM location.

After the hose strings have been removed, a diving crew will separate the PLEM from the pipelines. The PLEM will be detached from its 14-inch pilings and separated from the pipelines. The PLEM will be hoisted aboard the work vessel. Water in the PLEM will be released to the ocean. The PLEM pilings will be cut three feet below the mud line (the same depth as the pipe ends will be buried) and the cut sections will be hoisted aboard the work vessel.

A temporary roller/cradle structure will be constructed from the beach to the work area just above the beach adjacent to and just east of the Chevron forebay where the pipeline corridor enters the facility. The buried nearshore portions of the pipelines will be exposed as necessary over the beach to the low tide line using an excavator. GTC estimates the total volume of material to be excavated as 38 cubic yards below the Mean High Water Line and 486 cubic yards above Mean High Water. Removed sand will be stockpiled above the high tide line for replacement when operations are complete. The condition of the beach, both before and after the abandonment operations, will be documented with photographs to demonstrate restoration of the beach to as nearly its original contours as feasible.

Some of the lower portions of rip rap protecting the pipes as they come into the facility from the beach will be removed to permit the pipes to be cut above the beach within the area protected by rip rap. Once the pipes are cut and capped, the rip rap will be replaced.

Offshore, a work vessel or barge with diving spread will be positioned over pipelines at the 15-foot depth contour approximately 500 feet offshore and will anchor according to the anchoring plan. Divers will jet the pipes free of the bottom beyond the reach of the excavator, if necessary, remove any anchors securing the pipe to the bottom, and cut the pipes at the 15 foot depth. The cut ends of the offshore pipe will be capped, and the offshore segment will be left full of sea water.

The nearshore segment of each pipe will be pulled onto the roller/cradle over the beach to a location adjacent to the Chevron forebay. The pipe will be cut on the cradle. Once cut, each pipe segment will be lifted by crane from the cradle to a flatbed semi-trailer truck located on the existing roadway above the beach. Removal of the pipe for recycling or disposal will require approximately eight flat bed truck trips.

Following removal of all segments of pipe, all offshore moorings and anchors will be removed according to procedures in the anchoring plan, the trench above low tide will be filled with stockpiled sand, and the beach area will be returned as much as feasible to its original contours. Onshore equipment and the roller/cradle will be disassembled and removed and permanent fencing, if any was removed, will be replaced. Photographs will be taken to document the restoration.

The nearshore and offshore ends of the pipe segments left on the sea floor will be buried three feet or as deep as conditions permit, consistent with State Lands Commission Marine Facilities Inspection and Management Division recommendations. This will be accomplished by fitting

downward projecting elbows to the pipe ends using flush clamps and jetting a depression such that the ends of the elbows are buried at the requisite depth.

4.4 Schedule

Abandonment activities will take four to six weeks to complete. The total duration will depend on weather and other seasonal conditions at the time operations are undertaken. **Special Condition 4** requires that the nearshore flowline removal work commence between July 20 and September 20 to minimize adverse impacts to kelp (see section 4.6.2 Marine Resources below).

4.5 Other Agency Approvals

4.5.1 State Lands Commission

On August 21, 1996, the State Lands Commission authorized the issuance of a lease termination agreement to GTC for the proposed abandonment project. **Special Condition 9** requires GTC to submit to the executive director a copy of the fully executed and signed agreement prior to the issuance of this permit amendment. As a condition of the agreement, the State Lands Commission required GTC to prepare a revised Marine Biological Resources Impact Reduction Plan (MBIRP) to address impacts to marine resources. **Special Condition 10** requires that prior to the issuance of this permit amendment, GTC submit to the executive director the final MBIRP approved by the State Lands Commission.

4.5.2 Regional Water Quality Control Board - Central Coast Region

The Central Coast Regional Water Quality Control Board (RWQCB) regulates water quality in the project area. The proposed project will involve discharging into the ocean water containing up to 30 ppm of oil and grease. The RWQCB indicates that such release is consistent with the standards contained in the California Ocean Plan and will therefore take no action to regulate this discharge or any other aspect of the proposed project.¹

4.5.3 Santa Barbara County Air Pollution Control District

The Santa Barbara County Air Pollution Control District (APCD) is the local air district responsible for implementing federal and state air quality standards in the GIMT area. The APCD has determined that GTC must modify the Authority to Construct approved for the terminal operation prior to undertaking the proposed abandonment project. **Special Condition 11** requires GTC to submit to the executive director a copy of the Authority to Construct prior to issuance of the permit amendment.

4.5.4 U.S. Army Corps of Engineers

GTC has applied to the U.S. Army Corps of Engineers for authorization of the proposed project under section 404 of the Clean Water Act and section 10 of the River and Harbor Act. The Corps is expected to grant the following approvals to GTC for the proposed project: (1) a permit to excavate and remove pipelines within the beach area of the GIMT under Nationwide Permit No.

¹ Letter from Roger Briggs, RWQCB, to Craig Hammett, GTC, September 10, 1996. Personal communication between Michael Higgins, RWQCB and Chris Kern, CCC, November 13, 1996.

12; (2) a Letter of Permission under section 401 of the Clean Water Act to remove hoses and the PLEM, to remove three pipelines between the 15-foot depth contour and the shore, and to abandon in-place the remaining portion of the pipelines; and (3) a section 404 exception for the excavation of approximately 38 cubic yards of material below the mean high tide line and the discharge of approximately 23 cubic yards of material related to jetting in and burying the pipeline ends offshore.

Pursuant to section 307(c)(3)(A) of the Coastal Zone Management Act, any applicant for a required federal permit to conduct an activity affecting any land or water use or natural resource in the coastal zone must obtain the Coastal Commission's concurrence in a certification to the federal permitting agency that the project will be conducted in a manner consistent with the California Coastal Zone Management Program. The Commission's action on this permit amendment application shall comprise its federal consistency review for GTC's proposed abandonment project.

4.6 Coastal Act Issues

4.6.1 Oil Spills

Coastal Act section 30232 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.

4.6.1.1 Potential Project-Related Oil Spills

GTC identifies seven project related activities that could result in the accidental release of crude oil into the marine environment. These activities include: (1) anchoring the work vessel adjacent to the PLEM; (2) connecting the work vessel to the 16-inch, loading hose string; (3) seawater flushing operations; (4) pigging operations; (5) solvent flushing operations; (6) hose, pipe, and PLEM disconnect operations; and (7) subsea pipe cutting operations. The sources of potential spills related to the proposed abandonment project are the 30-inch line, the PLEM, the 16-inch, loading hose string, and fittings where the 30-inch line, PLEM, and hose string are joined.

GTC's Abandonment Oil Spill Contingency Plan specifies that a 60 barrel spill due to a catastrophic hose or connection failure at the initiation of the seawater flushing of the 16-inch, loading hose string is the project's worst case oil spill scenario.

4.6.1.2 Oil Spill Prevention

Coastal Act section 30232 includes two criteria. The first requires the applicant to provide "protection against the spillage of crude oil, gas, petroleum products, or hazardous substances...." As noted above, the proposed project could result in an accidental oil spill. GTC proposes to minimize the risk of a spill by implementing certain measures, including, but not limited to, flushing and cleaning the lines of oil before proceeding with the abandonment project.

The 30-inch crude oil loading line will be vulnerable to damage during the anchoring of the work vessel at the PLEM. In accordance with **Special Condition 2**, GTC will prepare an anchoring plan which will be subject to the review and approval of the executive director. Work vessel anchors will be deployed to avoid the pipeline. GTC states in its Abandonment Oil Spill Contingency Plan that it is highly unlikely that a work vessel anchor could damage the 30-inch line severely enough to cause a significant oil spill due to the strength of the line's construction, but that it will undertake corrective measures if it detects any compromise to the line's structural integrity. In addition, GTC will minimize the amount of an oil release into the ocean by maintaining a constant vacuum in the crude oil line. The vacuum level will be monitored throughout the abandonment project to inform GTC of any loss of the line's structural integrity.

GTC will flush the 30-inch line to remove as much of the hydrocarbons as feasible by pumping seawater from a work vessel anchored at the PLEM. The oil will be received in a tank or tanks onshore. Water received onshore will be separated from the oil and disposed of according to all applicable legal and permit requirements.

The 30-inch line will then be pigged² using sea water to remove as much of the remaining hydrocarbon residue as feasible. The pipe will then be flushed with solvent and pigged again to remove the last hydrocarbon residue. **Special Condition 5** requires GTC to submit to the executive director sampling data to verify that the water will be tested to insure that oil and grease are below 30 ppm. Finally, once the received water is below acceptable oil and grease concentrations, the offshore segments of the lines will be left filled with sea water.

Prior to removing the PLEM, and after flushing and pigging the crude oil loading pipeline, the flexible subsea loading hoses will be removed and the PLEM secured. The 30-inch valves on the PLEM will be closed, isolating the loading hose from the crude oil pipeline.

Once the work vessel is anchored adjacent to the PLEM, the 16-inch, loading hose will be inspected for kinks, sanding-in, or other damage. Any leaks identified during testing and inspection will be repaired. Once aboard the work vessel, the hose will be connected with the seawater pump. This connection will be tested and any leaks will be corrected prior to commencement of the seawater pumping.

An oil collection device will be deployed when crude oil hoses and pipes are disconnected from the PLEM. A vessel with suitable boom and other spill response equipment will be stationed on-site and capable of deploying boom and a skimmer if necessary to contain and recover a release within less than 30 minutes. However, with oil and grease concentrations below 30 ppm, it is not expected that detectable releases will occur.

² "Pigging" consists of pushing a device designed to fit snugly inside a pipeline (a "pig") through the line by fluid or gas pressure to separate batches of product, remove foreign materials or residues from the inside of the pipeline, or to electronically detect and record data concerning the physical condition of the pipeline with a "smart pig". Various pig designs are available for different uses.

The hydraulic lines will also be purged, and the hydraulic fluid will be recovered onshore. The vapor recovery lines are installed in a loop to allow pigging from a launcher to a receiver on shore. No offshore operations are required and these lines have already been pigged clean.

The Commission finds that as conditioned the proposed project is consistent with the first test of Coastal Act section 30232.

4.6.1.3 Oil Spill Response

The second test of Coastal Act section 30232 requires the applicant to provide effective containment and cleanup equipment and procedures for accidental spills that do occur. Despite the prevention measures proposed by GTC, the possibility remains that an oil spill could occur during project activities. 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 that "the probability of a major oil spill is virtually impossible..." because the pipelines were pigged and then flushed with seawater for several days. Nevertheless, during pipeline removal, approximately 40 barrels (1,680 gallons) of rust, iron sulfides, and suspended tar/oil spilled from these pipelines. Therefore, despite the best preventative measures taken by the applicants, the possibility of an accidental hydrocarbon discharge during GTC's abandonment activities still exists.

During project activities, GTC will maintain a vessel on site with 1,000 feet of boom deployable within 30 minutes, a skimmer with a derated recovery capacity of at least 600 bbl/day deployable within 30 minutes, and 120 barrels storage capacity. GTC has in inventory on shore 500 feet of 5 inch sorbent boom, 15 bales of 3M sorbent pads, and 1,500 feet of Kepner, 30-inch boom deployable over the beach within one hour. The Clean Seas oil spill cooperative has on site at the GIMT 1,000 feet of Super Max boom, 120 barrel Kepner floating storage bag, 4 boxes of ASI boom, 8 boxes of Conweb boom, 5 boxes of sweeps, 1 box of pillows, and 20 boxes of blankets.

GTC is 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. The Clean Seas oil spill response vessel *Mr. Clean III* would be able to reach the GIMT within two hours as demonstrated in an unannounced drill conducted by Santa Barbara County in coordination with the Coastal Commission and the Minerals Management Service on July 2, 1993. Also, the Marine Spill Response Corporation has substantial spill response resources located in Port Hueneme that would be available to assist GTC in the event of a spill.

Notwithstanding the extensive oil spill containment and cleanup capabilities of GTC, Clean Seas, and the Marine Spill Response Corporation, the Commission finds that the second criteria of Coastal Act section 30232, which requires "effective" containment and cleanup equipment for spills that do occur, cannot be met at this time. The Commission interprets the word "effective" as it is used in section 30232 to mean that spill containment and recovery equipment must have the ability to keep spilled 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 large spills and often even small spills in the open ocean.

Testing results of equipment at government research facilities in the United States and Canada have demonstrated that oil recovery equipment operates with about 50% effectiveness in relatively calm waters. These tests and actual field experience demonstrate that recovery efficiencies decrease as the dynamics of the sea (turbulence) increase. All booms and skimmers available for containment and recovery are limited in their effectiveness depending on wave height and wind speed. In wind wave conditions, the containment effectiveness of boom begins to lessen at a wave height of two feet. Under conditions of significant wave heights above six feet, booms and skimmers are largely ineffective (i.e., no measurable amounts of hydrocarbons are recovered). High winds can cause some types of boom to lay over, allowing oil to splash or flow over the boom.

In addition to sea dynamics, weather conditions, characteristics of spilled oil, response time, amount of oil spilled, and the availability of equipment and trained personnel all influence the success of spill response. Data from the General Accounting Office indicates that although spill response technology has improved in recent years, no more than 10-15% of the oil in most major spills is ever recovered. Shoreline contamination is probable with any major spill in the area. In a much smaller spill, such as the rupture of a pipeline at the El Segundo Marine Terminal in 1991, about 25% of the estimated 660 barrels of spilled oil were recovered in spite of a rapid and large spill response.

Because the ability to effectively contain and clean up an oil spill does not exist at this time, the Commission finds that the proposed project is inconsistent with the second requirement of Coastal Act section 30232.

4.6.2 Marine Resources/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 in part:

The biological productivity and the quality of coastal waters... appropriate to maintain optimum populations of marine organisms and for the protection of human health shall be maintained and, where feasible, restored....

Coastal Act section 30240(a) 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.

4.6.2.1 Water Quality Impacts

The proposed abandonment project will temporarily increase turbidity due to the removal of the PLEM and pipelines and the burial of the pipeline ends. Short-term increased turbidity will affect benthic organisms, and will decrease light available for photosynthesis. The organisms in the project area are adapted to similar episodes of short-term increased turbidity during storms. Thus, the temporary water quality impacts of the proposed project will not significantly affect marine organisms or the biological productivity of coastal waters. The Commission therefore finds the project consistent with Coastal Act section 30231.

4.6.2.2 Kelp

Kelp Resources in Project Area

Kelp beds are productive environments that support fish and other marine species. Under the Santa Barbara County Local Coastal Program (LCP), kelp beds are designated as environmentally sensitive habitats. Pursuant to Coastal Act section 30240(a) environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values. A rocky shelf runs parallel to the shoreline in the nearshore project area. This shelf extends from Gaviota State Park to at least 1,000 feet east of the GMT and supports a dense kelp community in a high energy environment in water 6 to 12 feet deep. The kelp community in this nearshore area consists of a number of species including *Pterygophora*, *Egrecia*, *Cystoseira*, and *Macrocystis*. The pipelines proposed to be removed in the nearshore area cross through this habitat area.

Project Measures to Minimize Kelp Damage

The proposed project incorporates the following measures designed to minimize damage to kelp:

- GTC will prepare an anchoring plan based on the findings of a pre-abandonment survey to avoid kelp plants found in the project area;
- An anchor assist vessel will be used to assure that the work vessel anchors are deployed in accordance with the approved anchoring plan;
- GTC will tether the pipelines to minimize lateral movement as they are winched onshore;
- GTC will train its contractors to recognize and avoid damage to kelp and other sensitive resources; and
- GTC will minimize jetting necessary to bury the nearshore ends of the pipeline segments to be abandoned in-place in order to reduce disturbance to the sea floor.

Unavoidable Kelp Impacts

Despite the measures described above, some damage to kelp plants will be unavoidable. Removal of the GTC pipelines will damage and destroy kelp plants and otherwise disturb marine habitat within an approximately four-meter-wide flowline removal corridor crossing through the nearshore kelp habitat area. In addition to the GTC lines, three other flowline bundles (ARCO, Chevron and CalResources) cross this area. Removal of the ARCO, Chevron and CalResources flowline bundles was permitted by the Commission as part of the Subsea Well Rig Sharing Program (SWARS) under CDP Nos. E-95-10 (ARCO) and E-95-17 (Chevron/CalResources). These projects are scheduled to occur within the next two to three years. The four flowline bundles are within approximately 200 meters of each other at the point where they cross the nearshore kelp habitat. These projects will result in further impacts to the nearshore kelp habitat in the Gaviota area.

While each of these projects alone will likely disturb a relatively small portion of the nearshore kelp habitat area, together, the four projects will result in significant kelp damage. In addition to increasing the physical scale of habitat damage in the nearshore area at Gaviota, the close proximity of these projects may disturb the restoration processes at the other sites. Each project will reduce the supply of nearby plants and animals available to recolonize the disturbed areas, and may thereby slow or limit natural recovery.

During the construction periods for each of these projects, turbidity will increase. Water clarity and sediment load are both factors that effect kelp recruitment and growth, and it is likely that increased turbidity from nearby flowline removal work would disturb the recovery process in the areas damaged from earlier projects. The cumulative effect of these flowline abandonment projects at Gaviota will be substantially greater than the impacts caused by any one of the projects.

Pre- and Post-Abandonment Surveys

GTC proposes to conduct pre- and post-abandonment surveys to measure project impacts. GTC's proposed survey program would measure the density of kelp within the pipeline work corridor and control sites before and after the abandonment work. Kelp plants attached directly to the pipelines would not be counted, but hard substrate areas capable of supporting kelp growth that are covered by pipelines would be included in the impact assessment calculations. This data would be used to determine the change in kelp density in the impact area attributable to project activities.

Special Condition 1 requires GTC to submit to the executive director prior to the issuance of this permit amendment a final pre- and post-abandonment survey work plan. The final survey work plan shall include sufficient detail to assure that the survey program will accurately assess the impacts to kelp habitat caused by the project. The work plan is required to include a schedule to assure that each survey occur as close in time to the abandonment work as feasible in order to minimize the influence that natural variation in kelp densities may have on the impact assessment calculations. The plan shall also describe the analytical methods to: (1) locate all hard bottom

habitat within the project area; (2) delineate all areas disturbed due to abandonment activities; and (3) describe the density, distribution, and age class of kelp species (including *Macrocystis spp.*, *Pterygophora spp.*, *Egregia spp.*, and *Cystoseira spp.*), eelgrass (*Zostera spp.*) and surf grass (*Phylospadix spp.*) within the nearshore flowline removal area (treatment area) and in an appropriately sited control area(s). **Special Condition 8** specifies that the surveys will be conducted by an independent consultant selected by the executive director (see discussion below concerning independent surveys and monitoring).

GTC's Proposed Kelp Habitat Recovery Program

GTC has worked with the staffs of the Coastal Commission, the State Lands Commission, and Santa Barbara County in attempt to identify an appropriate method to restore the nearshore kelp habitat that will be damaged by the proposed project. The agency staffs and GTC have concluded that although techniques for restoring commercially important giant kelp (*Macrocystis pyrifera*) beds in deeper waters have been developed, there currently exists no documented method for restoring nearshore, mixed kelp communities such as the habitat that will be affected by the proposed project. Techniques used to attach the holdfasts of transplanted kelp in deeper waters may not be suitable for establishing kelp plants in the high energy, shallow water environment where the impacts from the proposed project will occur. The application states that:

...the literature indicate that kelp restoration is experimental, costly, of doubtful utility in most cases [Schiel & Foster (1992)], and does not appear to have been attempted in an environment comparable to that at Gaviota. There is no documentary basis to expect that GTC should be able to design and execute a successful kelp restoration program at reasonable cost. Therefore, in light of the expected natural recovery, GTC proposes to conduct monitoring of resource recovery, but does not propose to attempt artificial restoration.

While conceding that natural restoration does not constitute mitigation for the impacts that will be caused by the proposed project, GTC believes that allowing the damaged habitat to recover naturally is environmentally superior to attempting to artificially restore the damaged area in the absence of a proven restoration method.

GTC proposes to monitor the damaged habitat to verify natural recovery. If this monitoring does not demonstrate natural recovery within one year after the abandonment project, GTC proposes as mitigation a program to develop, test and demonstrate economically feasible nearshore kelp restoration techniques. GTC proposes to provide up to \$50,000 for such a program. The funding would be provided only if GTC's monitoring program failed to demonstrate natural recovery of the damaged habitat one year after the project. The proposed monitoring program would consist of two surveys. However, the monitoring program does not provide for the collection or reporting of any quantitative data, nor does the program include any criteria for determining the success of natural recovery. Rather, the application states:

There is every reason to expect that the makeup of a restored kelp community (whether propagated naturally or artificially) will differ substantially for a period of time from the adjacent undisturbed mature kelp community. However, there is no evidence in the literature to conclude that the existence of a difference is a meaningful indicator of whether restoration has succeeded or failed, or even any guidance of what "success" or "failure" means in the context of restoration. Succession is highly variable and subject to many factors,... Therefore, it does not appear possible to develop a straight-forward quantitative measure of restoration success based on data that can be obtained from diver surveys. However, GTC believes that appropriately trained and experienced marine biologists will readily recognize a healthy kelp community developing in the restored area.

In summary, GTC's proposal addresses the impacts to kelp habitat as follows:

- GTC will implement feasible measures to minimize impacts to kelp habitat;
- GTC will not attempt to restore the damaged habitat, because it believes that natural restoration is probable and no artificial restoration techniques for this type of habitat exist;
- GTC will conduct two monitoring surveys over a period of one year to verify the success of natural habitat restoration;
- GTC will not provide specific criteria for defining the success of natural habitat restoration, but will rely on its contractor to determine whether a healthy kelp community is developing in the impact area; and
- If the consultant does not determine that a healthy kelp community is developing in the impact area after one year, GTC will fund (up to \$50,000) a research program to develop, test and demonstrate economically feasible nearshore kelp restoration techniques.

Commission Response to GTC's Proposal Concerning Impacts to Kelp Habitat

Minimization of Impact

The Commission finds that GTC's proposal includes appropriate measures to minimize impacts to kelp habitat. However, in addition to these measures, the Commission believes that impacts to kelp would be further reduced by scheduling the project during the summer, at which time kelp plants in the Gaviota area and are at their lowest level of productivity. Therefore, in addition to the measures proposed by GTC to minimize damage to kelp habitat, **Special Condition 4** requires GTC to undertake the nearshore portion of the proposed project during the summer.

Natural Restoration

GTC has not proposed to actively restore the habitat that will be damaged by the proposed project on the assumption that restoration will occur naturally over a short period of time and because artificial restoration techniques for this type of kelp habitat do not currently exist. The Commission agrees that the damaged habitat is likely to restore naturally over time and that there does not appear to date to be a documented method for restoring this type of shallow water,

mixed kelp habitat. However, the Commission does not concur with the proposed methods for monitoring and judging the success of natural habitat restoration.

Natural recovery of virtually any type of damaged habitat can be expected over time, and after a one year period, the area is likely to reach some stage in the successional process toward recovery. However, restoration should be considered to have been achieved only when the area is returned to its pre-impact state as determined under specific, quantifiable criteria. Criteria for determining the success of habitat restoration are a necessary and integral component of any restoration program. For example, for restoration of native vegetation disturbed by grading projects in the Santa Monica Mountains, the Commission usually requires permit applicants to show evidence of 90-percent coverage of the restored area within 90 days of planting. Follow-up planting or remediation is usually required if the specified success criteria are not achieved within the time provided. The Southern California Eelgrass Mitigation Policy, developed by the National Marine Fisheries Service, the U. S. Fish and Wildlife Service, and the California Department of Fish and Game, defines successful restoration and requires remediation as follows:

- a. a minimum of 70 percent areal coverage and 30 percent density after the first year.*
- b. a minimum of 85 percent areal coverage and 70 percent density after the second year.*
- c. a minimum of 100 percent areal coverage and at least 85 percent density for the third, fourth and fifth years.*

Should the required eelgrass transplant fail to meet the established criteria, then a Supplemental Transplant Area shall be constructed, if necessary, and planted.

In each of the three restoration orders issued by the Commission to resolve Coastal Act violations that resulted in damaged resources, the Commission has required that damaged habitat be restored to its pre-development state. For example, in Restoration Order No. RO9502 the Commission ordered the subject property owners to restore damaged endangered species habitat as follows:

Restore the property which was previously damaged as a result of development activity undertaken in violation of the California Coastal Act of 1976 to the condition it was in prior to the undertaking of said activity.

The Commission's regulations concerning cease and desist orders also define restoration as returning damaged resources to their pre-impact state. Regulation section 13187(C)9 states in relevant part:

Any term or condition that the commission may impose pursuant to section 30810(b) of the Public Resources Code which requires removal of development or material shall be for the purpose of restoring the property affected by the violation to the condition it was in before the violation occurred.

Additionally, restoration of the site to its pre-development state is a requirement of GTC's lease. Section 4, Paragraph 12(b) of State Lands Lease PRC 7075.1 for the GIMT requires that:

In removing any such improvements Lessee shall restore the Lease Premises as nearly as possible to the conditions existing prior to their installation or construction.

The methodology described in GTC's proposal would not provide the level of information necessary to objectively assess the habitat recovery process. To provide the information necessary to achieve the stated purpose of determining the success of natural habitat recovery, the program should include quarterly surveys to account for seasonal variability in kelp densities, and should continue for two full growing seasons. The surveys should measure kelp density, age class, and species distribution in the impact areas and in a control area. Consistent with past Commission actions on restoration projects, and with the terms of State Lands Lease PRC 7075.1, the damaged area should not be considered to be fully restored until it is indistinguishable in terms of these criteria from the control area. **Special Condition 6** therefore requires GTC to submit a nearshore habitat recovery monitoring plan for the review and approval of the executive director. The condition specifies that unless further refined under the approved habitat recovery monitoring plan, the criteria for determining full recovery shall be defined as 100% recovery of pre-abandonment kelp habitat as described in terms of density, age class and species distribution with adjustment for natural variation as determined by control surveys. **Special Condition 8** requires that the surveys be conducted by an independent consultant selected by the executive director.

Kelp Restoration Research Program

Although the Commission does not believe that GTC's proposal provides mitigation for the impacts the project will cause to kelp habitat, the Commission agrees that funding a program to develop and implement new techniques for restoring nearshore mixed kelp communities would help compensate for these impacts.

The purpose of the proposed research program would be to provide a method or methods that could be applied to future projects where nearshore mixed kelp communities would be impacted. The aforementioned SWARS program includes projects that will damage nearshore mixed kelp habitat along the Santa Barbara coast. The Commission anticipates receiving CDP applications for similar abandonment projects with resulting impacts to nearshore kelp areas over the next several years. New methods developed for restoring nearshore kelp habitats would likely be required to be implemented to mitigate the impacts of these future projects. There is therefore a high probability that a successful nearshore kelp restoration research program would provide future environmental benefits.

GTC does not provide any information concerning the structure or components of the proposed research program, but states only that:

GTC... [proposes] a properly designed scientific study conducted under the auspices of one or more agencies by a qualified research team for the purpose of developing, testing, and demonstrating economically feasible nearshore kelp restoration.

Commission staff consulted with University of California at Santa Barbara faculty experienced in kelp habitat research and with Santa Barbara County staff to develop a conceptual framework for

the proposed nearshore kelp restoration study. This framework provides for a three year study with the goal of developing, testing, and demonstrating methods to restore 100 kelp plants lost due to nearshore pipeline abandonment activities similar to those of the proposed project. The program would continue for three years and include the following basic components:

- 10:1 replacement ratio;
- Intensive outplanting using various experimental techniques during year one;
- Follow-up monitoring and replacement planting/remediation during years two and three; and
- Final analysis and reporting.

The estimated cost of this program, including dive boat time, supplies, salaries, and overhead is \$123,000.

GTC's proposal of scientific research cannot be considered adequate compensation for the damage to kelp habitat that will result from the proposed project unless the funding provided is sufficient to actually carry-out a program to develop and implement techniques to restore nearshore kelp habitat. Based on the cost estimate developed in consultation with UCSB researchers, GTC's proposed \$50,000 would not achieve its intended purpose. Therefore, **Special Condition 7** requires GTC to provide \$120,000 to the University of California to be spent on the development and implementation of the proposed kelp restoration program if the damaged kelp is not fully restored within two growing seasons. This level of funding is consistent with the cost estimate for this program developed in consultation with UCSB faculty experienced in kelp restoration research.

Prior to the disbursement of these funds, the Commission will enter into an agreement with the University of California, to designate that this money will be spent by either the Southern California Educational Initiative³ or another suitable program for a scientific study to develop, test, and demonstrate economically feasible methods to restore nearshore kelp habitat.

Independent Surveys and Monitoring

Assessment of project impacts and restoration can only be accomplished by underwater surveys. As proposed, the impact assessment (pre- and post-abandonment) and habitat restoration

³ The Southern California Educational Initiative (SCEI) was established in 1989 as a cooperative research program involving the U. S. Department of Interior Minerals Management Service, the State of California, and the University of California. The SCEI's primary focus is to provide national, state, and local decision makers with scientific information on the long-term environmental and social effects of offshore oil and gas activities. The SCEI is a multi-campus, interdisciplinary program that is administered through the Coastal Research Center, Marine Science Institute at the University of California at Santa Barbara.

On February 17, 1994, the Commission approved a Memorandum of Agreement between the Commission and the University of California establishing an "umbrella" framework for the Commission to request from the SCEI proposals to carry-out research or other projects in furtherance of the purpose of the Coastal Act. Pursuant to this umbrella agreement, the exact performance requirements, funding levels, work products and their schedule for delivery, and other matters particular to each proposal must first be approved by the Commission.

surveys would be performed by a consultant selected by and under contract directly with GTC. The results of these surveys will determine the cost, if any, that GTC will incur to fund the proposed kelp restoration research program. GTC has an economically based interest in documenting that the project impacts are minimal and that the habitat successfully recovers. GTC cannot therefore be considered an impartial judge concerning the impact and habitat recovery assessments. In order to find that the proposed impact assessment and habitat recovery monitoring programs adequately address the project impacts to marine resources, the Commission and the public must be confident in the accuracy and the impartiality of the survey programs. The marine resources that will likely be impacted by the abandonment project cannot be readily seen, and the results of the surveys cannot be easily verified or reviewed. Thus, it is critical that the impact assessment and habitat recovery monitoring surveys be conducted by a party independent of the permittee. **Special Condition 8** specifies that the executive director, in consultation with the State Lands Commission and the County of Santa Barbara, will select the consultant(s) who will conduct all impact assessment (pre- and post-abandonment) and monitoring surveys. The condition also requires GTC to direct the necessary funds for the biological survey and monitoring work to the County of Santa Barbara or another administering agency selected by the executive director. Contract administration and management arrangements will be specified in a letter of agreement between the executive director and the administering agency.

4.6.2.3 Hard Bottom Eelgrass and Surf Grass

GTC will identify the presence of hard bottom habitat, eelgrass (*Zostera* spp.) and surf grass (*Phyllospadix* spp.) in the pre-abandonment survey and the anchoring plan. GTC believes that it will be able to avoid damaging any hard bottom habitat, eelgrass and surf grass. However, in the event that the pre-abandonment survey and/or the anchoring plan reveal that any of these resources will be unavoidably impacted by the abandonment activities, **Special Condition 3** requires GTC to obtain a material amendment to the permit, prior to proceeding with the project, to provide restoration or mitigation for the impact.

4.6.2.4 Conclusion--Marine Biological Resources

Although the proposed project does not fully mitigate the impacts that will be caused to nearshore kelp habitats, the Commission finds that as conditioned the proposed project includes feasible measures to minimize impacts to marine biological resources and environmentally sensitive habitats and to compensate for damage to resources that cannot be avoided or feasibly restored. The Commission therefore finds the proposed project as conditioned consistent with Coastal Act sections 30230, 30231 and 30240(a).

4.6.3 Public Access and Public Recreation

Coastal Act section 30211 states:

Development shall not interfere with the public's right of access to the sea where acquired by 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.

Coastal Act section 30220 states:

Coastal areas suited for water-oriented recreational activities that cannot readily be provided at inland water areas shall be protected for such uses.

There is no public access through the GIMT to the beach. Public access near the project area includes Gaviota State Park and various public access ways from Highway 101 to Gaviota State Beach. The State Beach is located approximately one mile to the west of the GIMT. Public access ways are located approximately 1/4 mile east and west of the terminal. Lateral access along the beach in the project area is limited due to rocky formations which block access during high tides. The proposed project will require that the beach be closed for a period of approximately two to three weeks.

In order to minimize the impact of this beach closure GTC proposes to post two signs at the project site and one sign at Gaviota State Beach Park advising beach users of the nature and timing of the beach closure at least two weeks prior to commencing the project. GTC also indicates that project activities will be restricted to weekdays unless prior approval is granted by the State Department of Parks and Recreation. The Commission believes that recreational uses and public access at the project site will not be significantly impacted since the abandonment activities will be short-term, GTC will provide notice of the temporary beach closure, and the work will not occur during high use periods. The Commission finds therefore that the proposed project is consistent with Coastal Act sections 30211 and 30220.

4.6.4 Commercial and Recreational Fishing

Coastal Act section 30234.5 states:

The economic, commercial, and recreational importance of fishing activities shall be recognized and protected.

A large variety of commercially important species are fished in the project area including but not limited to halibut, swordfish, sharks, salmon, albacore, rockfish, crab, sea urchin, squid, shrimp, and abalone. Recreational fishing activities in the Gaviota area include surf fishing, pier fishing and sport fishing from both private boats and commercial charter vessels.

Both Santa Barbara County staff and Coastal Commission staff have notified certain fishing organizations of the proposed project in attempt to determine whether the project could disrupt important fishing activities.⁴ As of the date of this report, no issues have been identified concerning conflicts between the proposed project and either commercial or recreational fishing activities. No objections to the proposed project were expressed by fishing interests during either the County's July 31, 1996, public hearing for the certification of the Negative Declaration for the project or the State Lands Commission's August 21, 1996, hearing for the approval of the Lease Termination Agreement.

⁴ Letters from Chris Kern, CCC, to Mick Kronman, National Fisheries Magazine, and to Craig Fusaro, Joint Oil/Fisheries Liaison Office, September 27, 1996. Personal Communication between Kern and Jackie Campbell, Santa Barbara County, November 13, 1996.

Nevertheless, the proposed abandonment project is subject to the terms and conditions of the Gaviota Terminal Final Development Plan which includes measures to minimize any conflicts with fishing activities. These measures require GTC to: (1) notify local fishermen prior to commencing offshore project activities; (2) participate in the establishment of a Local Fishermen's Contingency Fund; (3) make annual payments into a Fisheries Enhancement Fund; and (4) remove all construction mooring buoys and retrieve lost construction equipment at the completion of the project.

The measures described above are sufficient to prevent the proposed project from resulting in any significant interference with commercial and recreational fishing activities. Therefore, the Commission finds that the proposed project is consistent with Coastal Act section 30234.5.

4.6.5 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.

The Santa Barbara County Air Pollution Control District (APCD) is the local air district responsible for implementing federal and state air quality standards in the GIMT area. Operation of the GIMT is permitted under an existing APCD Authority to Construct (ATC). This ATC does not cover the proposed abandonment project, which is expected to generate approximately 1.304 tons of carbon monoxide (CO), 0.056 tons of reactive organic compounds (ROC), and 2.222 tons of nitrogen oxides (NO_x). The APCD has instructed GTC that it must modify the terminal operation ATC prior to undertaking the proposed abandonment project.

GTC anticipates that mitigation offsets already in place for the operation of the GIMT are sufficient to address the emissions associated with the proposed abandonment project, and that no additional offsets will therefore be required. The modified ATC may require installation of emission control devices or other modifications to equipment used for the abandonment project as necessary to minimize air quality impacts.

Special Condition 11 requires GTC to submit to the executive director a copy of the modified ATC prior to issuance of this permit amendment. The Commission therefore finds that the proposed project as conditioned is consistent with Coastal Act section 30253(3).

4.6.6 Cultural 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.

Cultural resources consist of places or objects important to cultures, communities, and individuals for scientific, historical, and religious reasons. Cultural resources include archeological

sites and remains, shipwrecks, artifacts, and places of importance that provide evidence of past human activities.

Three prehistoric archeological sites, CA-SBA-94, CA-SBA-95, and CA-SBA-1870, are located onshore in the general area of the GIMT. These sites contain human remains and artifacts including ground stone, metate and bowl fragments, projectile points, utilized flakes, drills, hammerstones, burnt rocks, and cores. The proposed project activities are not within the documented locations of these archeological sites. However, it is possible that human remains and/or artifacts have been redeposited within the area that will be disturbed by excavation activities due to sand movement or bluff erosion. It is also possible that previously undiscovered archeological resources will be revealed as a result of the proposed project.

The County is requiring GTC to implement a cultural resource monitoring program in order to mitigate the project's potential adverse impacts to archaeological or paleontological resources, under Conditions J-1 through J-10 of the *Gaviota Terminal Final Development Plan* (as revised through July 31, 1996). Accordingly, a qualified archaeological resources monitor and a Native American observer will be present during beach excavations. If artifacts are encountered, work will be suspended or redirected until the artifact is recovered and the observers determine that no additional artifacts will be disturbed. The Commission finds that the County's cultural resource monitoring program will adequately mitigate the project's potential adverse impacts to cultural resources, and that the project as proposed is therefore consistent with Coastal Act section 30244.

4.6.7 Coastal Dependent Industrial "Override" Provision

Coastal Act section 30101 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, marine terminals, and offshore oil and gas developments are examples of development considered "coastal dependent" under section 30101.

Coastal Act section 30260 provides for special approval consideration of coastal-dependent industrial facilities that are otherwise found inconsistent with the resource protection and use policies contained in Chapter 3 of the Coastal Act. The GIMT qualifies as a "coastal dependent industrial facility." In its consideration of a coastal development permit application for a coastal-dependent industrial facility, the Commission must first analyze the proposed project under all applicable Chapter 3 policies. If the proposed development does not conform with one or more of these policies, then the development may be approved under the coastal-dependent industrial override provision of section 30260.

Coastal Act section 30260 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.

As described in section 4.6.1 of this report, the proposed abandonment project does not conform with Coastal Act section 30232 due to the potential for and significant impacts caused by a marine oil spill. Since the project qualifies as a "coastal-dependent industrial facility," the Commission may approve the project despite its inconsistency with section 30232 if the three requirements of the coastal-dependent industrial override provision can be met.

4.6.7.1 Alternative Locations

The first test of Coastal Act section 30260 requires the Commission to find that alternative locations for the project are infeasible or more environmentally damaging. GTC proposes to abandon portions of an existing facility. Therefore, consideration of alternative project locations is not applicable. The Commission finds that alternative locations for the project are infeasible.

4.6.7.2 Public Welfare

The second criteria of Coastal Act section 30260 provides that the Commission may grant a permit for coastal-dependent industrial development despite inconsistency with other Coastal Act policies if to do otherwise would adversely affect the public welfare. The Commission believes that this test requires more than a finding that a project as proposed is in the interest of the public. Rather, the Commission must find that to deny a permit for the project would be harmful to the public welfare.

In the past, improperly abandoned offshore oil and gas pipelines, left in place through the surf zone and beach, have deteriorated and become exposed, sometimes with jagged and corroded edges. In some cases, the public has had to accept financial responsibility for removing the hazards created by these improperly abandoned facilities. Through its lease termination agreement, the State Lands Commission has required GTC to remove all portions of the pipelines landward of the 15-foot depth contour in order to prevent the lines from becoming hazardous to the public in the future. Additionally, failure to properly abandon the GIMT would increase the risk of a hydrocarbon release from the facility. The Commission finds that to not grant a permit amendment for the abandonment to the GIMT would adversely affect the public welfare. The proposed project therefore meets the second criteria of Coastal Act section 30260.

4.6.7.3 Maximum Feasible Mitigation

The third test of section 30260 requires a finding that the adverse environmental impacts of the project have been mitigated to the maximum extent feasible. As discussed in section 4.6.1 of this report, the Commission has determined that the project is inconsistent with Coastal Act section 30232 due to the inability of GTC to provide effective containment and cleanup facilities and procedures in the case that an accidental oil spill occurs during the project. However, upon the applicant's acceptance of this permit amendment as conditioned, the Commission can find that

the environmental impacts of the project have been mitigated to the maximum extent feasible. Thus, the proposed project meets the third and final test of Coastal Act section 30260.

4.6 California Environmental Quality Act

Section 13096 of the Commission's administrative regulations requires Commission approval of CDP applications to be supported by a finding showing the application, as modified by any conditions of approval, to be consistent with any applicable requirements of the California Environmental Quality Act (CEQA). Section 21080.5(d)(2)(i) of the CEQA prohibits approval of a proposed development if there are feasible alternatives or feasible mitigation measures available that would substantially lessen any significant impacts that the activity may have on the environment.

As "lead agency" under the CEQA, the County of Santa Barbara certified Negative Declaration 96-ND-22 for the proposed outfall replacement on July 31, 1996, determining that the project will not result in any significant adverse environmental impacts within the meaning of the CEQA. The project as conditioned herein incorporates measures necessary to avoid any significant environmental effects under the Coastal Act. Therefore, the Commission finds that the proposed project is consistent with the resource protection policies of the Coastal Act and with the CEQA.

APPENDIX A
SUBSTANTIVE FILE DOCUMENTS

Coastal Development Permit E-87-4 and Consistency Certification CC-36-87, including all substantive file documents.

Coastal Development Permit E-92-6, including all substantive file documents.

County of Santa Barbara, Gaviota Interim Marine Terminal Final Development Plan 86-DP-90, and Conditional Use Permit Conditions 90-M-41cz.

_____, Gaviota Interim Marine Terminal Revised Final Development Plan 86-DP-90 (RV01).

Kelco Division of Merck & Co., Inc. 1991 Santa Barbara Kelp Restoration Project, February 1992.

_____, Kelp Restoration off Gaviota, Santa Barbara County, Progress Report, Stapling Plants, Transplanting Juvenile Plants, Culturing Juvenile Plants, August 17, 1992.

_____, Kelp Restoration off Gaviota, Santa Barbara County, Two Month Post-Restoration Survey, December 3, 1992.

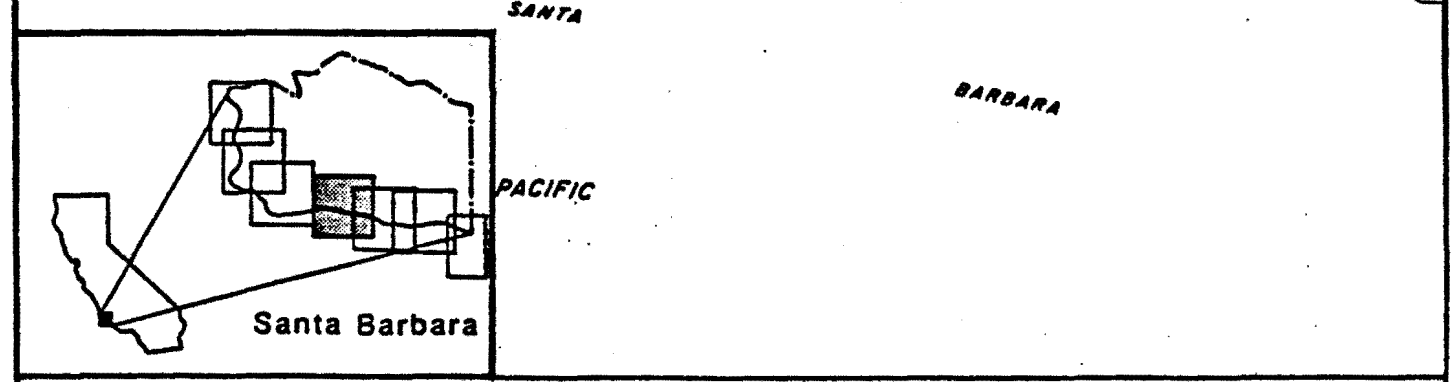
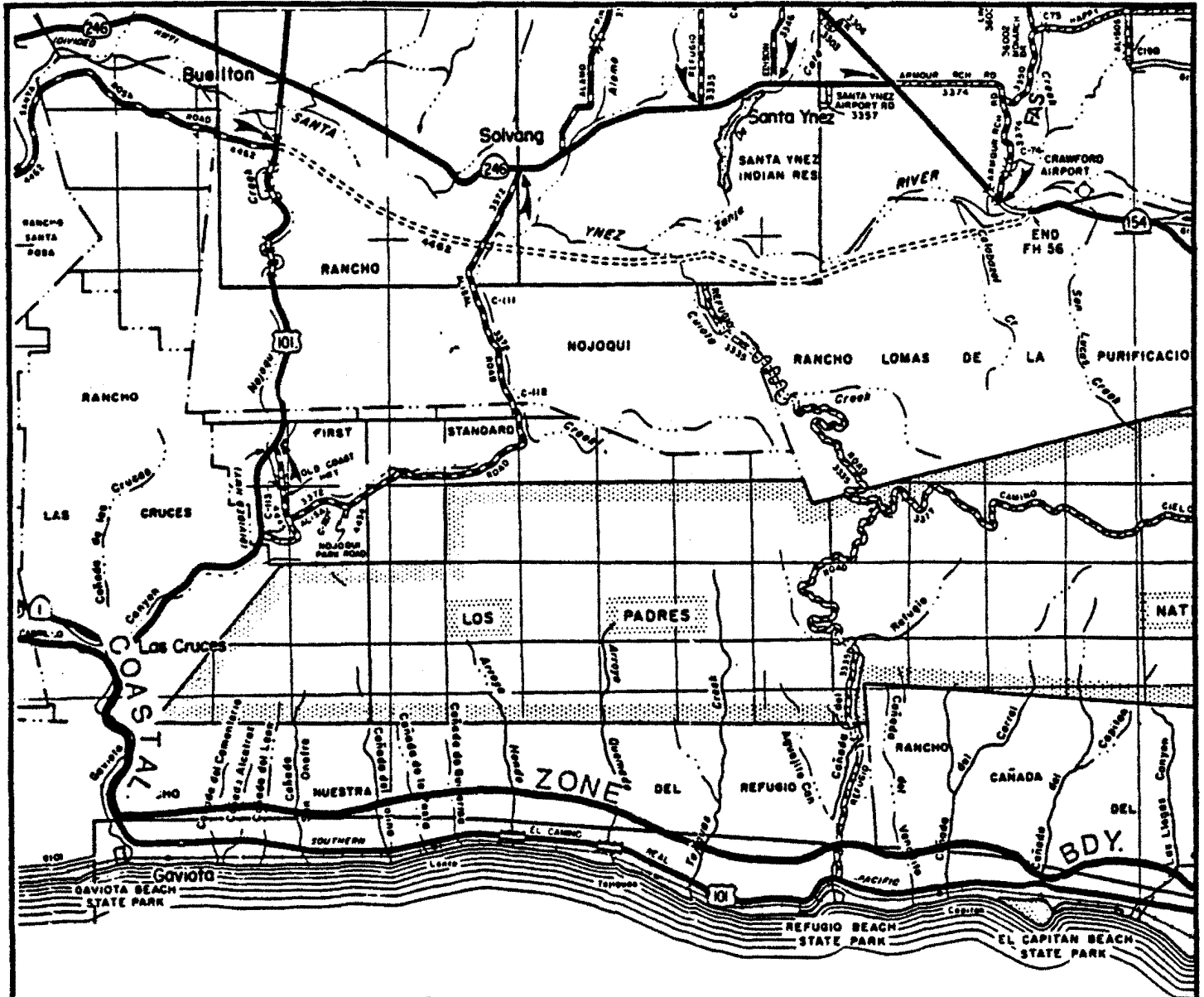
_____, Kelp Restoration off Gaviota, Santa Barbara County, One Year Post-Restoration Survey, August, 1993.

Negative Declaration 96-ND-22, Gaviota Terminal Modification , certified by the County of Santa Barbara on July 31, 1996.

State Lands Commission Oil and Gas Lease No. PRC 7075.1, issued to ??? on ???, and as modified pursuant to Lease Termination Agreement ???.

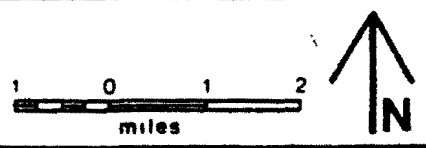
APPENDIX B
STANDARD CONDITIONS

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.



California Coastal Commission

LOCATION MAP



County of Santa Barbara

CDP Application E-92-6-A2
 Gaviota Terminal Company
 Exhibit 1

Approximate Survey Areas

