

CALIFORNIA COASTAL COMMISSION

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

Page: 1 of 11Date: May 22, 1998**RECORD PACKET COPY****ADMINISTRATIVE PERMIT**

Application No.: E-97-22

Applicant: Chevron Pipe Line Company

Agent: Donna Hebert, Padre Associates

Project Location: On sandy beach areas west of Chevron Estero Marine Terminal and U.S. Highway 1, between the cities of Cayucos and Morro Bay, San Luis Obispo county. (See Exhibits 1 and 2)

Project Description: Excavation, repair, and backfill of a 5-foot section of crude oil pipeline; restoration of native plant species on project area.

[**Note:** This is a follow-up CDP application for work authorized under Emergency Permit No. E-97-18-G, issued by the Executive Director on October 6, 1997.]

Local Approvals: None required.

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

NOTE: Public Resources Code Section 30624 provides that this permit shall not become effective until it is reported to the Commission at its next meeting. If one-third or more of the appointed membership of the Commission so request, the application will be removed from the administrative calendar and set for public hearing at a subsequent Commission meeting. Our office will notify you if such removal occurs.

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

Date: Tuesday June 9, 1998
Time: Meeting begins at 9:00 a.m.
Place: Radisson Hotel - Santa Barbara
1111 E. Cabrillo Blvd.
Santa Barbara, CA 93103
(805) 963-0744

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

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

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

PETER DOUGLAS
Executive Director
California Coastal Commission

By:



Susan Hansch
Deputy Director

Acknowledgment:

The undersigned permittee acknowledges receipt of this permit and agrees to abide by all terms and conditions thereof.

The undersigned permittee acknowledges that Government Code Section 818.4 which states in pertinent part, that: "A public entity is not liable for injury caused by the issuance...of any permit..." applies to the issuance of this permit.

Date

Signature of Permittee or Representative

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.

SPECIAL CONDITIONS:

1. Upon submittal of the inspection report in spring of 1998 as proposed in CHEVRON'S revegetation plan, the Executive Director shall determine whether natural re-colonization of native vegetation to pre-project levels has been successful. If the Executive Director determines that further exotic vegetation removal or native revegetation activities are necessary to achieve pre-project native vegetation levels, CHEVRON shall submit an amendment to this Administrative Permit and shall thereafter implement a plan for re-establishment of the foredune plant community.

EXECUTIVE DIRECTOR'S DETERMINATION:

The executive director hereby determines that the proposed development will cost less than \$100,000 and that on this basis it is within a category of development that qualifies for approval by the executive director through the issuance of an administrative permit, pursuant to Public Resources Code 30624. Subject to Standard and Special Conditions attached, said development is in conformity with the provisions of Chapter 3 of the Coastal Act of 1976, will not prejudice

the ability of the local government to prepare a Local Coastal Program that is in conformity with the provisions of Chapter 3, and will not have any significant impacts on the environment within the meaning of the California Environmental Quality Act. Because this development is located between the nearest public road and the sea, the Executive Director further finds it to be in conformity with the public access and public recreation policies of Chapter 3.

FINDINGS FOR EXECUTIVE DIRECTOR'S DETERMINATION:

A. Project Location

Chevron's Estero Marine Terminal is located in and adjacent to Estero Bay, San Luis Obispo County, between the Cities of Cayucos and Morro Bay. The terminal has been in continuous operation since 1929. The facility consists of a Hill Plant for crude oil storage; a Shore Plant with oil handling, control, and emergency equipment; and a two-berth marine terminal. Two crude oil loading lines and a treated water outfall line pass under the beach, connecting the berths to shore. (See Exhibits 1 and 2)

The winter storm season subjects the bluff and beach areas that overlay Chevron's loading lines to high sand displacement. In addition, Toro Creek, a biologically sensitive area as designated by the City of Morro Bay, has shifted course along the beach by as much as 75 feet. For example, dynamic beach profiles associated with both the 1995-96 and 1996-97 storm seasons caused the subject loading line to become exposed near the project area.

B. Discovery of Pipeline Leak and Issuance of Emergency Permit

Application No. E-97-22 is for a follow-up regular coastal development permit (CDP) to excavate, repair, and backfill the leaking portion of a crude oil pipeline at Chevron's Estero Marine Terminal, as authorized by the Executive Director in Emergency Permit No. E-97-18-G.

The proposed work was prompted by Chevron's discovery of a leak in the No. 2 loading line on September 17, 1997, during an overhaul of Tanker Berth No. 2 which included flushing and hydrotesting of the line. A helium tracer showed the leaking portion to be located approximately 19 feet from Toro Creek. Chevron believed small portions of residual hydrocarbons were mixing with the test water and being released into the surrounding environment at the pipe failure point.

Given (a) the dynamic beach profile associated with the storm season, (b) that this year's storm season could be even more severe than normal due to El Nino conditions, and (c) that creek flow volume usually increases about three-fold during the winter, the Executive Director found the existence of an imminent threat that the subject pipeline would be exposed and/or that Toro Creek would move into the project area, thereby causing hydrocarbon contamination to become introduced into sensitive riparian areas and the marine environment. The Executive Director therefore issued Emergency Permit No. E-97-18-G (See Exhibit 3) on October 6, 1997. Special Condition No. 3 of that emergency permit required Chevron to submit a follow-up Coastal Development Permit application.

C. Project Description

Chevron proposes to (1) retain a qualified environmental monitor to eradicate non-native plants in the project area in order to facilitate revegetation with native plant species, and to photodocument the project site, noting plant species and coverage; (2) use a backhoe to excavate an 18' x 18' x 10' area that exposes the defective portion of Loading Line No. 2; (3) temporarily stockpile the excavated spoils in the fenced parking/emergency response area through which vehicles access the beach, removing the surface layer of sand/soil so as to preserve existing native vegetation; (4) repair the pipe by welding in a new segment or welding a full encirclement sleeve over the problem area; (5) hydrotest the line before returning it to service; (6) backfill the excavation with the stockpiled soil to the pre-project elevation, without compaction, and replace the reserved surface layer of sand/soil and plants; and (7) implement a monitoring program that includes re-seeding or revegetating the project area with cuttings if necessary to ensure restoration of the project site to pre-project conditions.

All project-related activities will be restricted to within a clearly-delineated work area, and no heavy equipment will be operated north of the proposed excavation in order to avoid disturbing Toro Creek to the greatest extent possible. The environmental monitor will remain on-site during all excavation and backfilling activities. Work will be completed in approximately five days, depending on weather conditions.

D. Requirement that Chevron Notify Agencies upon Discovery of Hydrocarbon-Contaminated Soil

Special Condition No. 5 of Emergency Permit No. E-97-18-G required Chevron to notify appropriate agencies if hydrocarbon-contaminated soil was discovered while completing pipeline repair activities. The condition reads as follows:

Should CHEVRON discover the presence of hydrocarbon-contaminated soil while completing the pipeline repair activities, CHEVRON shall immediately halt work and notify the Executive Director, the Regional Water Quality Control Board, Central Coast Region, the California Department of Fish and Game, Office of Oil Spill Prevention and Response, and the County of San Luis Obispo. CHEVRON shall immediately devise a workplan to address the contamination and shall resume work only after said workplan has been approved by the Executive Director.

1. Chevron Fails to Notify Agencies in Accordance with Special Condition No. 5

While excavating the affected pipeline portion on October 8, 1997, Chevron did discover about 6.0 cubic feet of hydrocarbon-stained soil. However, Chevron did not stop work and notify the appropriate agencies, but continued to remove the stained soil, repair the pipeline, and backfill the excavation. Chevron then attempted to notify some agencies, but only after they had backfilled the excavation.

Chevron asserts their understanding of Special Condition No. 5 was that because the presence of a small volume of stained soil was anticipated, notification was not required. (*Letter report from Padre Associates dated October 22, 1997; Job No. 9702-1281. Letter from Joe Gonzalez, Chevron, to Wei Lu, RWQCB, dated December 16, 1997.*)

2. Regional Water Quality Control Board Staff Requires Chevron to Improve its Regulatory Notification Procedures

Regional Board staff found Chevron's notification procedures during the pipeline repair activities to be inadequate, citing that (a) "some areas of the site are known to have been contaminated with petroleum product that leaked from Chevron's pipelines," and (b) "the excavation area was located close to an existing free-product extraction well." (*Letter from Jay Cano for Roger Briggs, RWQCB, to Jim Waldron, Chevron, dated December 9, 1997*)

After further corresponding with Chevron, the Board staff found that Chevron's inadequate notification procedures were not justified, that Chevron did not adequately determine the contamination's extent, and that Chevron did not properly conduct contaminated soil removal. The Board staff then required Chevron to improve its regulatory notification. Upon consideration of the relatively small volume of soil reported as contaminated and the cause of contamination, the staff did not require any additional work from Chevron. (*Letter from Joe Gonzalez, Chevron, to Wei Lu, RWQCB, dated December 16, 1997. Letter from Jay Cano for Roger Briggs, RWQCB, to Jim Waldron, Chevron, dated January 13, 1998*)

E. Chevron's After-the-Fact Stained Soil Workplan; Chevron's Agreement to Hereafter Request Clarification or Interpretation of Permit Conditions in Writing

Chevron considered visual observation adequate to determine the areal extent and volume of contaminated soil. Chevron excavated all visibly-stained soil, which yielded about six cubic yards (some clean soil was inadvertently mixed with the stained soil during excavation). Chevron then transported the affected soil to the terminal's Hill Plant, where it has been used as road base.

Kern River crude was transferred through the line prior to the hydrotest. A June 6, 1997, crude oil analysis of Kern River Heavy and San Ardo crudes did not detect benzene. Based on the results of this analysis, Chevron determined the stained soil to be non-hazardous.

Furthermore, Chevron has agreed to hereafter request clarification or interpretation of permit conditions in writing to avoid any future misunderstandings. (*Letter from Joe Gonzalez, Chevron, to Moira McEnespy, CCC, dated April 3, 1998.*)

F. Coastal Act Issues

1. Marine Resources

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, 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....

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.

1.1 Site Disturbance

The proposed project seeks to repair a leaking pipeline that is located immediately adjacent to an environmentally sensitive habitat area (the Toro Creek system). Native vegetation contained on the site includes silver beach bur (*Ambrosia chamissonis*), red sand verbena (*Abronia maritima*), and coastal golden bush (*Isocoma menziesii* var. *vernonoides*).

Thus, staging, access, and excavation activities will disturb native vegetation, and could potentially disturb the sensitive habitat around Toro Creek because of its close proximity.

To address these concerns, Chevron will not operate heavy equipment north of the proposed excavation area in order to minimize disturbance to the Toro Creek system. Chevron will also removing the surface layer of sand/soil so as to preserve existing native vegetation. In addition, **Special Conditions Nos. 6 and 7** of the emergency permit require that site disturbance necessary to complete the pipeline repair activities shall be minimized to the maximum extent feasible, and ensure that the delineated work area shall not extend past the project area.

Furthermore, the repair activity itself will prevent a spill from occurring and will remove small portions of residual hydrocarbons that are being released into the surrounding environment at the

pipe failure point. Conducting repair activities will also remove the threat that the subject pipeline will become exposed and/or that Toro Creek will move into the project area, thereby causing hydrocarbon contamination to become introduced into sensitive riparian areas and the marine environment.

Thus, the proposed repair project will (1) maintain marine resources and protect areas of special biological significance consistent with Coastal Act Section 30230, (2) maintain the biological productivity and the quality of coastal waters and streams consistent with Coastal Act Section 30231, and (3) protect against the disruption of environmentally sensitive habitat areas by an oil spill consistent with Coastal Act Section 30240(a).

1.2 Revegetation of Native Species

Chevron will photo-document the work and access areas prior to excavation, record the type and areal percent of native vegetation present, remove any non-native plant species, and stockpile and replace the native vegetation and topsoil layer in order to facilitate natural revegetation of native species. Chevron has also submitted a revegetation plan detailing how they will (1) retain a qualified biologist to inspect the project site in the Spring of 1998 and determine the success of vegetative re-establishment within the disturbed area, (2) submit a report that documents the findings to the Commission staff, and (3) conduct an active revegetation program if necessary. **Special Condition No. 1** of this permit specifies that the Executive Director shall determine whether natural re-colonization of native vegetation to pre-project levels has been successful, and requires that if further revegetation activities are deemed necessary, Chevron shall pursue re-establishment of a foredune plant community pursuant to the revegetation plan and to the satisfaction of the Executive Director.

1.3 Conclusion

The Executive Director therefore finds that the project as proposed and conditioned will not have a significant adverse effect on marine resources and thus is consistent with Coastal Act Sections 30230, 30231, 30232, and 30240(a).

2. 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.

The repair activity itself will prevent a spill from occurring and will remove small portions of residual hydrocarbons that are being released into the surrounding environment at the pipe failure point. Conducting repair activities will also remove the threat that the subject pipeline will become exposed and/or that Toro Creek will move into the project area, thereby causing

hydrocarbon contamination to become introduced into sensitive riparian areas and the marine environment.

The Executive Director therefore finds that the project as proposed is consistent with Coastal Act Section 30232.

3. Public Access, Recreation, and Safety

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.

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.

Public access to the shoreline and along the coast is available near the project site. Atascadero State Beach is accessible approximately 0.25 mile south of the site near the intersection of Yerba Buena Street and U.S. Highway 1; Morro Strand State Beach lies to the north and also provides access from Highway 1. Recreational use of the sand area in the immediate project vicinity currently exists. The dry sand portion of the property connects two state park beach units and provides a logical connection for low-intensity uses such as beachcombing.

The proposed work area is located away from normally used public access points; all access points will remain open for public use during project activities. All project-related access will be made through the north gate of Chevron's emergency response/parking area and then northeasterly along the Caltrans fenceline. Thus no portion of the proposed pipeline repair activities will block or restrict public access. Furthermore, the excavation will be fenced after each day of work until the site is backfilled in order to ensure public safety.

The Executive Director therefore finds that the project as proposed will not have a significant adverse effect on public access, safety, or recreation, and thus is consistent with Coastal Act Sections 30210, 30211, and 30220.

4. Archaeological and 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.

Chevron's Estero Marine Terminal is located within the historic territory of the Chumash and Salinan Native American groups. Thus, areas encompassing the terminal are highly significant to these peoples.

No known archaeological site exists in the immediate vicinity of the proposed project site, and no cultural materials or deposits were found to be present during previous construction activities conducted in the vicinity of Toro Creek and the two loading lines (see CDP Nos. E-94-18 and E-95-03). Chevron has conducted these past activities pursuant to the directives of on-site cultural resource monitors to ensure that the integrity of cultural and archaeological resources is preserved.

While it seems unlikely that the proposed project will impact cultural resources, given the highly sensitive nature of the resource and the recommendation by Fugro West, Inc., that any additional remedial actions involving earth disturbance at the terminal site be monitored by an archaeologist and Native American (*Letter from Mary Maki and Simon Poulter, Fugro West, Inc., to Don Culbertson, Chevron, August 23, 1995*), Chevron will retain and abide by the directives of approved cultural resource monitors while conducting excavation and backfilling activities.

Considering the findings of past cultural resources monitoring at the Estero terminal and the presence of the cultural resource monitor during all excavation and backfilling activities, the Executive Director therefore finds that the proposed project will not have a significant adverse impact on archaeological or cultural resources, and thus that the project is consistent with Coastal Act Section 30244.

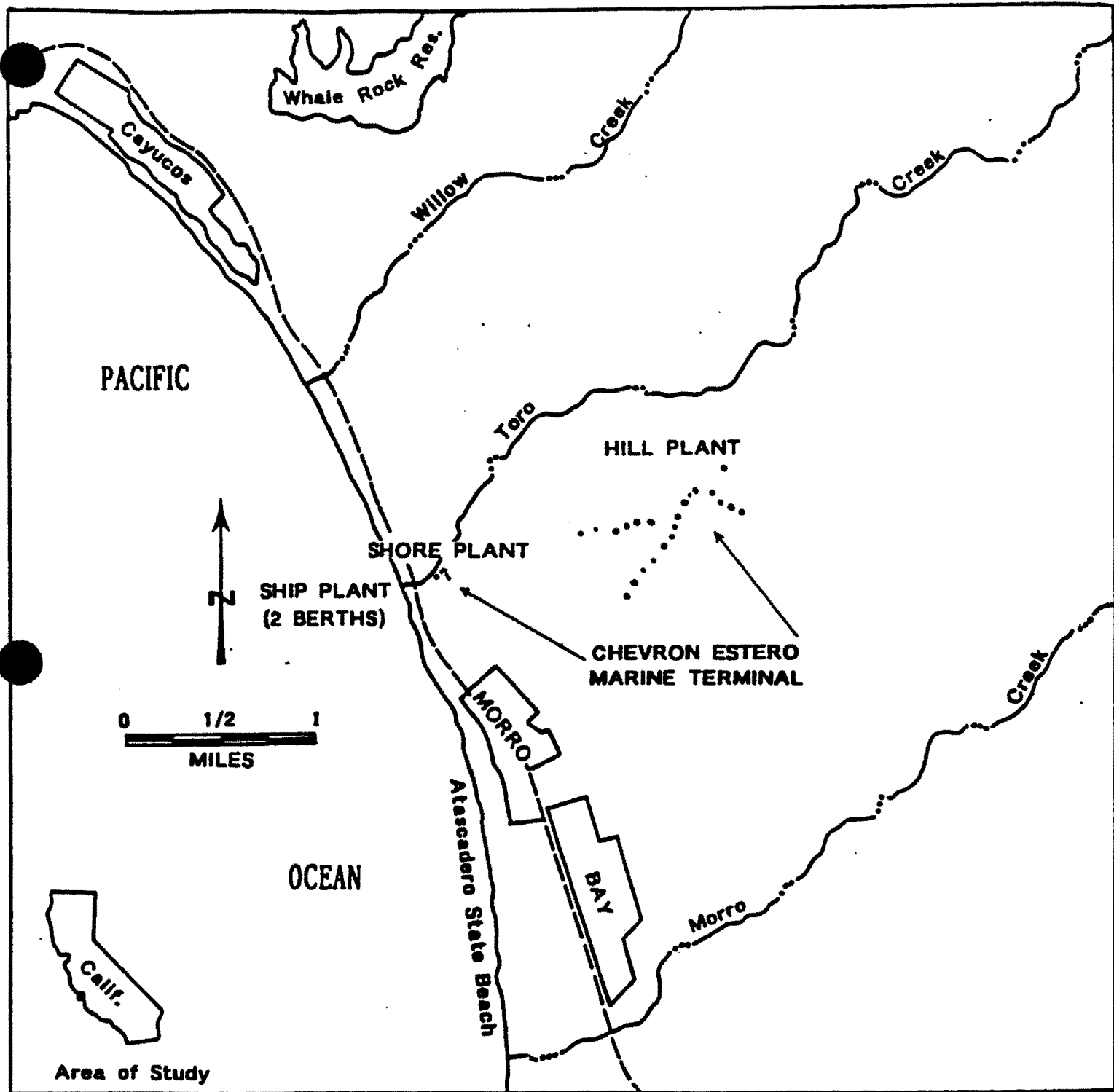
G. California Environmental Quality Act (CEQA)

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

The "no project" alternative would result in the continued leaking of the subject pipeline, and would increase the threat that the line will become exposed and/or that Toro Creek will move into the project area, thereby causing hydrocarbon contamination to become introduced into sensitive riparian areas and the marine environment. Therefore, the no project alternative is not a less environmentally damaging alternative.

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

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



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

EXHIBIT NO. 1

APPLICATION NO.

E-97-22

Chevron

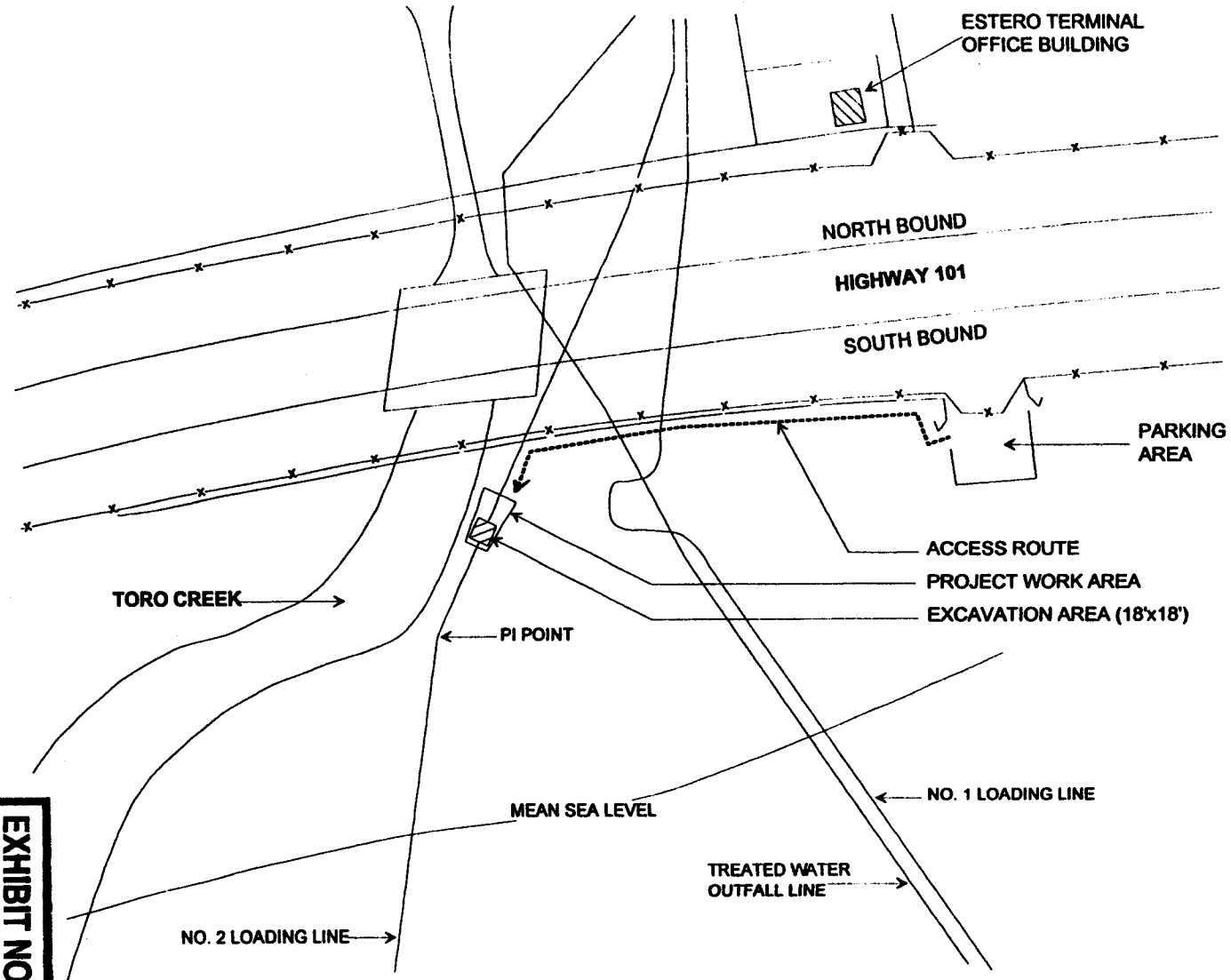
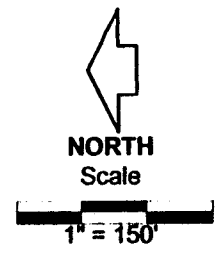


EXHIBIT NO. 2
APPLICATION NO.
E-97-22
Chevron



PROJECT PLAN

FIGURE 2

CALIFORNIA COASTAL COMMISSION

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



October 6, 1997

Joe Gonzalez
Chevron Pipe Line Company
Estero Marine Terminal
4000 Highway 1
Morro Bay, CA 93442

Subject: Emergency Coastal Development Permit No. E-97-18-G for excavation and repair of a crude oil pipeline (loading line no. 2) located west of Chevron's Estero Marine Terminal and U.S. Highway 1.

Dear Mr. Gonzalez:

The Coastal Commission staff has reviewed the fax from Donna Hebert, Padre Associates, to Alison Dettmer, California Coastal Commission (the Commission), dated September 25, 1997, which explains Chevron's detection of a leak in the subject pipeline.

After careful consideration, and in light of the information you have supplied to the Commission staff, I have decided to issue the attached conditioned emergency permit¹ for the proposed project. The attached emergency permit defines the scope of the approved development and the required conditions of permit approval.

How Project Qualifies for an Emergency Permit

As cited in footnote no. 1, the Coastal Act and the Administrative Regulations specify the circumstances under which an emergency permit is warranted. In deciding to issue this emergency permit I have carefully considered the following actions of other agencies as substantiation of the emergency status for implementation of Chevron's proposed pipeline repair activities. Specifically, the City of Morro Bay has expressed "that repair of the pipeline at the earliest opportunity would allow the work to be conducted prior to the onset of the storm season and would have the least potential for any adverse environmental impacts" (letter from Shauna Nauman, City of Morro Bay, to Moira McEnespy, CCC, October 1, 1997).

¹ 14 CCR Section 13009 states: "Emergency as used in Public Resources Code Section 30624 and these regulations means: a sudden unexpected occurrence demanding immediate action to prevent or mitigate loss or damage to life, health, property or essential public services." 14 CCR Section 13139 states that the information to be reported during the emergency shall include the following: (a) the nature of the emergency; (b) the cause of the emergency, insofar as this can be established; (c) the location of the emergency; (d) the remedial, protective, or preventive work required to deal with the emergency; and (e) the circumstances during the emergency that appeared to justify the course(s) of action taken, including the probable consequences of failing to take action.

EXHIBIT NO. 3

APPLICATION NO.

E-97-22; Chevron

Furthermore, it has been the Executive Director's practice to issue emergency permits both to respond to the imminent threat of a future emergency, as well as to respond to an emergency that has already occurred.

The Commission staff understands that Chevron discovered a leak in the subject loading line on September 17, 1997, during an overhaul of Tanker Berth No. 2 which included flushing and hydrotesting of the No. 2 loading line. By that date it was not possible for pipeline repair activities to be scheduled for the Commission's October meeting. If we follow the regular permit process, Chevron will not be able to commence with repair activities until after the Commission meets in November --after the onset of the winter storm season. Therefore, expedited permit review to allow Chevron to excavate and repair the defective line as soon as possible is deemed necessary for the following reasons:

- Residual hydrocarbons on the interior pipe walls are mixing with the seawater currently contained in the pipeline, and are migrating and collecting at the highest liquid level in the line. Considering the pipeline's elevation profile and the testing procedures used on the line, Chevron believes the liquid level in the line has reached equilibrium near the pipe failure location. Because the pipe cover depth across the beach is relatively shallow (1.5 to 2.0 feet), it is likely that warm daytime and cold nighttime temperatures are causing the liquid in the pipe to migrate back and forth across the failure area. Chevron is concerned that this action is releasing small volumes of hydrocarbons into the surrounding environment at the pipe failure point.
- The winter storm season subjects the bluff and beach areas that overlay Chevron's loading lines to high sand displacement. In addition, Toro Creek, a biologically sensitive area as designated by the City of Morro Bay, has shifted its course along the beach by as much as 75 feet. In fact, dynamic beach profiles associated with both the 1995-96 and 1996-97 winter storm seasons caused the subject loading line to become exposed near the proposed project area.

Given (1) the dynamic beach profile associated with the storm season, (2) that this year's El Nino conditions could induce even more severe storms than normal, and (3) that creek flow volume usually increases about three-fold during the winter, an imminent threat exists that the subject pipeline will be exposed and/or that Toro Creek will move into the project area, thereby causing hydrocarbon contamination to become introduced into sensitive riparian areas and the marine environment.

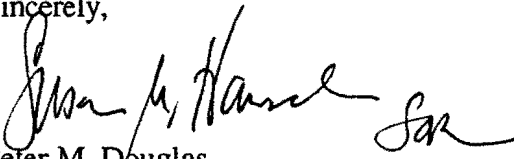
Therefore, because of the imminent threat that petroleum hydrocarbons could be released into sensitive riparian areas and the marine environment if pipeline repair activities are delayed until after the onset of the winter storm season, a conditioned emergency permit is warranted to prevent a release from occurring.

Acceptance of Emergency Permit Conditions

The attached emergency permit is not valid until signed and returned to the Coastal Commission's San Francisco office. It is acceptable to fax the signed copy and overnight mail the original.

If you have any questions, the following persons are available: (1) Susan M. Hansch, Deputy Director, at 415/904-5244; (2) Alison Dettmer, Energy and Ocean Resources Unit Supervisor, at 415/904-5246; or (3) Moira McEnespy, Energy & Ocean Resources Unit, at 415/904-5253.

Sincerely,



Peter M. Douglas
Executive Director

Enclosures: Emergency Permit
Emergency Permit Acceptance Form

cc: California Coastal Commissioners
Tiffany Welch, U.S. Army Corps of Engineers
John Lien, State Lands Commission
Melissa Boggs, OSPR
Frank DeMarco, RWQCB
John Euphrat, County of San Luis Obispo Planning & Building
John Scholtes, County of San Luis Obispo Dept. of Health
Shauna Nauman, City of Morro Bay
Denise Tanguay, Ecology & Environment
Donna Hebert, Padre Associates



CALIFORNIA COASTAL COMMISSION

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



EMERGENCY PERMIT

Applicant: Chevron Pipe Line Company

October 6, 1997

Permit No. E-97-18-G

Location of Emergency Work: On sandy bluff and beach areas west of Chevron Estero Marine Terminal and U.S. Highway 1, between the Cities of Cayucos and Morro Bay, San Luis Obispo County.

Work Proposed: Chevron will (1) retain a qualified environmental monitor to eradicate non-native plants in the project area in order to facilitate revegetation with native plant species, and to photodocument the project site, noting plant species and coverage; (2) use a backhoe to excavate an 18' x 18' x 10' area that exposes the defective portion of Loading Line No. 2; (3) temporarily stockpile the excavated spoils in the fenced parking/emergency response area through which vehicles access the beach, removing the surface layer of sand/soil so as to preserve existing native vegetation; (4) repair the pipe by welding in a new segment or welding a full encirclement sleeve over the problem area; (5) fence the excavation after each day of work until the site is backfilled; (6) hydrotest the line before returning it to service; (7) backfill the excavation with the stockpiled soil to the pre-project elevation, without compaction, and replace the reserved surface layer of sand/soil and plants; and (8) implement a monitoring program that includes re-seeding or revegetating the project area with cuttings if necessary to ensure restoration of the project site. All project-related activities will be restricted to within a clearly-delineated work area, and no heavy equipment will be operated north of the proposed excavation in order to avoid disturbing Toro Creek to the greatest extent possible. The environmental monitor will remain on-site during all excavation and backfilling activities. Chevron proposes to begin work on October 7, 1997. Work will be completed in approximately five days, depending on weather conditions.

This emergency permit constitutes approval of the emergency work you or your representative has requested to be done at the location listed above. I understand from your information that an unexpected occurrence in the form of a defective (leaking) crude oil pipeline requires immediate action to prevent or mitigate loss or damage to life, health, property or essential public services. *14 Cal. Admin. Code Section 13009.* The Executive Director hereby finds that:

- (a) There exists an imminent threat of emergency which requires action more quickly than permitted by the procedures for administrative or ordinary permits and the development can and will be completed within 30 days unless extended pursuant to the terms of the permit;
- (b) Public comment on the proposed emergency action has been reviewed as time allowed; and
- (c) As conditioned, the work proposed would be consistent with the requirements of the California Coastal Act of 1976.

The work is hereby approved, subject to the following conditions.

CONDITIONS OF APPROVAL

General Conditions

1. This permit shall not become effective unless and until the enclosed Emergency Permit Acceptance Form is signed by CHEVRON and returned to the Executive Director of the California Coastal Commission (hereinafter, "Executive Director").
2. This emergency permit authorizes only those project operations and locations specifically described in (1) the fax from Donna Hebert, Padre Associates, to Alison Dettmer, California Coastal Commission (CCC), dated September 25, 1997; (2) the faxes from Donna Hebert, Padre Associates, to Moira McEnespy, CCC, dated September 30, 1997, and October 6, 1997; and (3) the faxes from Joe Gonzalez, Chevron, to Moira McEnespy, CCC, dated September 29, 1997, and October 1, 1997. CHEVRON shall not deviate from the operations, timing or sequence of operations or locations specified in the referenced documentation unless and until authorized in writing by the Executive Director.
3. Within 30 days of issuance of this permit, CHEVRON shall submit an application for a regular coastal development permit (CDP) to the California Coastal Commission for all work authorized by this emergency permit (No. E-97-18-G). Said application shall include a detailed site revegetation and restoration plan.
4. In addition to any immunities provided for by law, in exercising this permit, CHEVRON agrees to hold harmless and indemnify the California Coastal Commission, its officers, employees, agents, successors and assigns from any claims, demands, costs, expenses and liabilities for any damage to public or private property or personnel injury that may result directly or indirectly from the project.

Contaminated Soil

5. Should CHEVRON discover the presence of hydrocarbon-contaminated soil while completing the pipeline repair activities, CHEVRON shall immediately halt work and notify the Executive Director, the Regional Water Quality Control Board, Central Coast Region, the California Department of Fish and Game, Office of Oil Spill Prevention and Response, and the County of San Luis Obispo. CHEVRON shall immediately devise a workplan to address the contamination and shall resume work only after said workplan has been approved by the Executive Director.

Site/Resource Disturbance

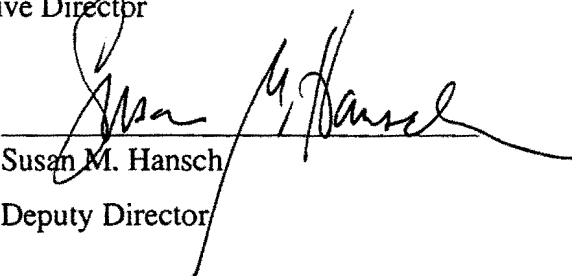
6. Site disturbance necessary to complete the pipeline repair activities shall be minimized to the maximum extent feasible by means which shall include but not necessarily be limited to use of a single set of tire tracks by vehicles when entering and leaving the bluff/beach area.

7. The delineated work area shall not extend past the project area as defined in the fax from Donna Hebert, Padre Associates, to Alison Dettmer, CCC, dated September 25, 1997.

Very Truly Yours,

PETER M. DOUGLAS
Executive Director

By:


Susan M. Hansch

Title: Deputy Director

1954

