CALIFORNIA COASTAL COMMISSION

45 FREMONT, SUITE 2000 SAN FRANCISCO, CA 94105-2219 OICE AND TDD (415) 904-5200 AX (415) 904-5400



Tu-15a

October 14, 1999

TO:

Commissioners and Interested Parties

FROM:

Jaime Kooser, Deputy Director, Energy, Ocean Resources and Water

Quality

Alison Dettmer, Manager, Energy and Ocean Resources Unit

Chris Kern, Energy and Ocean Resources Unit

SUBJECT:

Chevron 4H Platform Shell Mounds

DRAFT Scope of Work

On September 9, 1999, the staff circulated a Draft Scope of Work ("DSOW") for the proposed study of the Chevron 4H Platform shell mounds. The staff's intent in circulating the DSOW was to solicit comments to be considered in preparing a Final Scope of Work ("FSOW"). The DSOW was originally distributed to the Commission and interested parties for comment prior to the September 1999 Commission meeting. During that meeting, the Commission directed the staff to allow additional time for a more thorough review and discussion of the DSOW. The staff recommends that the Commission next consider this matter during its November meeting in Santa Monica to allow maximum participation by the local interested parties (the next Santa Barbara meeting will be in June 2000). Written comments received as of October 14, 1999 are attached. The staff will continue to accept comments on the DSOW until November 2, 1999. Please contact Chris Kern at (415) 904-5247 if you have any questions concerning this matter.

The FSOW will include a complete description of the information necessary to enable the Commission to evaluate whether removal of the shell mounds or other mitigations are necessary to avoid or mitigate impacts to commercial fishing. The FSOW will not describe the specific scientific and statistical methodologies to be employed for the study. These will be developed by the selected consultant in consultation with agency technical staff. Once the scope of work is finalized, the staff will work with State Lands Commission staff to develop a request for proposals ("RFP"). The RFP will be circulated to prospective consultants who will be selected through a competitive bidding process. Consultant selection will be based, in part, on an evaluation of the methods proposed by the bidders to carry out the proposed study.

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California State Senate

SENATOR

JACK O'CONNELL

EIGHTEENTH SENATORIAL DISTRICT

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CALIFORNIA COASTAL COMMISSION



CHAIR:
BUDGET & FISCAL REVIEW
SUBCOMMITTEE ON EDUCATION
COASTAL CAUCUS
MAJORITY CAUCUS
MEMBER:
BUDGET AND FISCAL REVIEW

BUSINESS AND PROFESSIONS CONSTITUTIONAL AMENDMENTS EDUCATION ENVIRONMENTAL QUALITY GOVERNMENTAL ORGANIZATION JUDICIARY



Peter Douglas, Executive Director California Coastal Commission 45 Fremont Street, Suite 2000 San Francisco, CA 94105

Dear Peter:

September 28, 1999

As I understand it, the Scope of Work for the Chevron 4-H Platform shell mounds will again be discussed at the Coastal Commission's October meeting. I regret that I was unable to submit comments to you and the Commission prior to the September 15th hearing, however, Carla Frisk of my staff, who has discussed this issue with both you and Mr. Kerns, did not receive the Scope of Work, either by Email or in a hard copy form.

I have two primary concerns about the Scope of Work as it is currently written. First of all, it seems to have become overly broad, given the issue that the permit condition is intended to address (i.e. site clearance) and, secondly, no where does it contain a discussion comparing the short term impacts, primarily associated with removal of the shell mounds, with the long term and cumulative impacts, primarily associated with leaving the shell mounds in place.

The permit conditions placed on Chevron by the Coastal Commission (CCC) and the State Lands Commission (SLC), as they relate to debris removal, are both clearly focussed on the expectation or requirement that the site: be subject to test trawls and that there be a "successful conclusion of the trawls" (SLC permit condition #5) and "avoid an unreasonable risk of snagging by trawl nets" (CCC permit condition #7. The intent of these conditions is explicit—to restore the sites where the four platforms once stood to their pre-oil development state and uses, ie. commercial fishing/trawling. The ability to trawl the area is basically the measuring stick by which these conditions determine whether or not this intent has been met. There is no caveat in either permit that discusses the environmental impacts of trawling. Since the section on trawling impacts is irrelevant to this determination, it should be eliminated.

As you know, there are a number of platforms currently located in both state and federal waters which are likely to have significant shell mounds under them.

Peter Douglas September 28, 1999 Page Two

Therefore, the CCC's and the SLC's decisions on the fate of the 4-H Platform shell mounds will set a very important precedent for future platform removal requirements. As a result, the Scope of Work must include a section which compares the short term impacts (water quality, air quality and hard bottom impacts) and the potential long term (habitat loss) impacts associated with removal to the long term impacts (water quality and commercial fishing impacts) associated with leaving the shell mounds in place. Finally, it is critical that the significance of the short term impacts, compared to the long term impacts, be analyzed. Absent such an analysis, the CCC and the SLC will be left trying to compare apples and oranges.

Beyond my comments on the Scope of Work, I must indicate my concern about the seriousness of the broader issue at stake. I am completely opposed to our oceans becoming a dumping ground for the trash left over from oil development in our Channel. Oil companies that made commitments to return their drilling sites to their pre-oil development state must be held accountable for those promises.

Thank you for your consideration of my comments. I understand that Carla Frisk of my staff has now been placed on an Email list of interested parties. I would greatly appreciate her being kept up to date on this issue on my behalf.

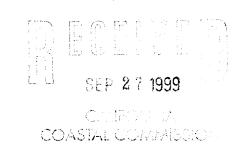
Sincerely.

ACK O'CONNELL

JÓ:cdf E8b

cc: Sara Wan, Coastal Commission Chair Cruz Bustamante, State Lands Commission Chair Paul Thayer, Executive Director, SLC September 24, 1999





California Coastal Commission 45 Fremont Street, Suite 2000 San Francisco, CA 94105 Fax (415) 904-5400

Re: Shell Mounds Draft Scope of Work

Dear Honorable Commissioners,

This letter is submitted by the Environmental Defense Center (EDC), a public interest environmental law firm, on behalf of the Environmental Coalition of Santa Barbara (Coalition) and the Pacific Coast Federation of Fishermen's Associations (PCFFA). The EDC represents the Coalition and PCFFA in their efforts to ensure full removal of all debris and obstructions associated with the Chevron 4H Platform Abandonment project and remaining shell mounds. Specifically, the purpose of this letter is to respond to the Draft Scope of Work developed by the staffs of the California Coastal Commission (CCC) and State Lands Commission (SLC) and to address Chevron's continued violation of the platform abandonment permits issued by the CCC, the SLC, and the Army Corps of Engineers (Corps).

The Draft Scope of Work ignores the express requirements of Chevron's abandonment permit (CDP No. E-94-6). Condition 6 requires a trawl test to be conducted and states that "[i]f the Executive Director or the Joint Oil/Fisheries Liaison Office determines that installation or other appropriate measures is necessary to avoid an unreasonable risk of snagging, this matter shall be set for public hearing before the Commission for the purpose of determining whether or not this coastal development permit shall be amended to require installation of the appropriate measures." (See Exhibit A.)

Condition 7 requires Chevron to execute a survey of any remaining seafloor debris and submit evidence from such survey(s). "Prior to Chevron's quitclaim or assignment of leases PRC 1824 and PRC 3150 [on which the 4H platforms lie], Chevron shall submit to the Executive Director and the SLC an analysis, to include supporting information, of whether or not debris identified in the above surveys and attributed to Chevron shall be removed. If the Executive Director determines that removal of the debris attributed to Chevron is necessary to avoid an unreasonable risk of snagging by trawl nets, this matter



shall be set for public hearing before the Commission for the purpose of determining whether or not this coastal development permit shall be amended to require debris removal." (See Exhibit A.) Consequently, according to the permit, if there is the risk of snagging, removal is required.

The Chevron Shell Mounds create an unreasonable risk of snagging. Letters from fishers in the area provide substantial evidence showing that the Chevron Shell Mounds create an unreasonable risk of snagging by trawl nets. The trawl tests have failed, fishing gear has been damaged and time has been lost. Therefore, according to the permit, the CCC must require removal of the shell mounds. This is a *permit enforcement issue*.

The CCC must first make the finding, according to the evidence presented, that removal is necessary to avoid the risk of snagging. Then, the CCC may appropriately analyze the impacts of removal and determine whether there are other measures or alternatives that will substantially lessen such impacts. (Pub. Res. Code §21080.5.)

In order to analyze the impacts of removal and determine whether there are alternatives that will substantially lessen such impacts, the CCC's staff Draft Scope of Work must include the following:

- 1. Evidence from the surveys that identifies seafloor debris from the platform abandonment site;
- 2. An analysis of whether the debris creates an unreasonable risk of snagging by trawl nets;
- 3. Whether installation of shrouds or other appropriate measures are feasible and appropriate to avoid an unreasonable risk of snagging;
- 4. Whether removal of the debris is necessary to avoid an unreasonable risk of snagging by trawl nets;
- 5. An analysis of the benefits of removal;
- 6. An analysis of short-term verses long-term impacts of
 - a. removal and
 - b. leaving debris; and
- 7. An analysis of cumulative impacts of
 - a. removal and
 - b. leaving debris.

The Draft Scope of Work should not include the impacts of trawling. Such an analysis contradicts the intent of the permit and is irrelevant to the issue. Trawling is the standard by which impacts are to be measured. For the Commission to now decide that trawling may not be an appropriate activity for the area would require a separate permit amendment and full review.

The CCC must implement or enforce the permit conditions adopted by the Commission in February, 1995. We urge the Commission to direct staff to work with the environmental community, the commercial fishing community, including the trawlers, and the County of Santa Barbara and to provide the analysis required in the existing 4H

September 24, 1999 California Coastal Commission: Chevron Shell Mounds Draft Scope of Work Page 3

Platform Abandonment Permit. Please remember that leaving debris in place will also set a precedent for approximately 20 other platforms off our coast.

Thank you for your time and consideration of this important matter.

Very truly yours,

Tanya Gulesserian Staff Attorney

Attachments: Exhibit A (Permit Conditions)

cc: Environmental Coalition of Santa Barbara

PCFFA

Sen. Jack O'Connell

Assemblywoman Hannah-Beth Jackson Paul Thayer, State Lands Commission

Santa Barbara County Supervisor Naomi Schwartz Luis Perez, Santa Barbara County Energy Division

Mike McCorkle

Chevron 4H Platform Abandonment (CDP No. E-94-6)
Adopted Findings: February 8, 1995

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COMMISSION

1.0 STAFF RECOMMENDATION

The staff recommends that the Commission adopt the following resolution:

APPROVAL WITH CONDITIONS

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

2.0 STANDARD CONDITIONS See Appendix B.

3.0 SPECIAL CONDITIONS

This permit is granted subject to the following special conditions:

- 1. If the Department of Fish and Game (DFG) pursues and obtains all necessary approvals for the use of all or part of the subject platforms for an artificial reef program, Chevron shall obtain an amendment to this coastal development permit.
- Chevron shall obtain an amendment to this coastal development permit for any modification of
 project activities that results in a change to the project Stipulations or Final Mitigation
 Monitoring Plan required by the State Lands Commission (SLC) pursuant to Mitigated
 Negative Declaration No. ND 652 (certified by the SLC on August 3, 1994).
- 3. Prior to commencement of project activities, Chevron shall submit to the Executive Director a final copy of all permits required for project operations by (1) the Santa Barbara County Air Pollution Control District, and (2) the U.S. Army Corps of Engineers. Chevron shall submit to the Executive Director, within 48 hours of receipt, copies of any future permits issued by the National Marine Fisheries Service for this project.
- 4. Chevron shall implement all conditions and requirements imposed by the Department of Fish and Game (DFG) pursuant to Explosives Permit No. EP-94-1 (November 14, 1994). In the event that the DFG amends Explosives Permit No. EP-94-1, Chevron shall obtain an amendment to this coastal development permit.
- 5. In addition to those measures contained in the project description or in Department of Fish and Game (DFG) Explosives Permit No. EP-94-1, Chevron shall take the following measures to avoid impacts to marine mammals, reptiles and birds:
 - (a) Project operations shall occur between June 1 and November 30 to avoid impacts to migrating California gray whales.
 - (b) If removal of marine mammals from platform structures is necessary, Chevron shall contract with an independent marine mammal rescue organization or person approved by the Executive Director to conduct this activity. Criteria for approval shall be that the organization (1) is experienced in the rescue and handling of marine mammals, (2) holds a

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(*) (*)

Chevron 4H Platform Abandonment (CDP No. E-94-6) Adopted Findings: February 8, 1995 Page 8

- National Marine Fisheries Service Letter of Authorization pursuant to the Marine Mammal Protection Act for this activity, and (3) submits a post-operations report to the Executive Director describing circumstances under which any marine mammals were taken.
- (c) Thirty (30) minute aerial surveys shall be conducted by qualified observers approved by the Executive Director one hour prior to detonation of explosives to ensure that no marine mammals or sea turtles are within a 1,000-yard radius of the detonation site nor are likely to enter this area prior to or at the time of detonation (as recommended by the National Marine Fisheries Service and required by the U.S. Army Corps of Engineers). Detonations shall not occur if weather conditions prevent compliance with this condition, or if the aerial observers cannot communicate with the person in charge of the detonation operations.
- (d) Within fifteen (15) days of the removal of each platform, Chevron shall submit to the Executive Director a report describing the removal operations conducted, any impacts of these operations on marine mammals and birds, and the effectiveness of the project's mitigation measures (both those proposed by Chevron and those required by the marine resource agencies) in preventing or reducing impacts to marine mammals and birds.
- 6. In conjunction with the trawl test required by the State Lands Commission to ensure debris clearance, Chevron shall conduct a test trawl over the abandoned pipeline and cable ends and Hazel bases. This trawl test shall provide for use of conventional trawling gear (i.e., gear that would allow it to clear seafloor obstructions, comparable to that which would be used by commercial fishermen in the area). Within 14 days of completion, Chevron shall submit to the Executive Director and the Joint Oil/Fisheries Liaison Office (JOFLO) results of all trawl tests and an analysis, to include supporting information, of whether or not shrouds shall be placed over the abandoned structures, or anchor scars leveled, in order to prevent snagging by nets. Chevron shall also submit to the Executive Director within 30 days of completion results of all ROV or Side scan sonar surveys of the abandoned structures. If the Executive Director or the JOFLO determines that installation of shrouds or other appropriate measures is necessary to avoid an unreasonable risk of snagging, this matter shall be set for public hearing before the Commission for the purpose of determining whether or not this coastal development permit shall be amended to require installation of the appropriate measures.
- 7. Prior to Chevron's quitclaim or assignment of state oil and gas leases PRC 1824 and PRC 3150 on which the "4H Platforms" lie, Chevron shall submit to the Executive Director a State Lands Commission (SLC)-approved chart showing all known areas of operation within these leases and shall either (1) execute a survey, with an ROV and/or high-resolution side scan sonar, within 1000 feet of these areas of operation to identify and chart the locations of any seafloor debris or (2) submit evidence that equivalent surveys of these areas of operation have been conducted. Prior to Chevron's quitclaim or assignment of leases PRC 1824 and PRC 3150, Chevron shall submit to the Executive Director and the SLC an analysis, to include supporting information, of whether or not debris identified in the above surveys and attributed to Chevron shall be removed. If the Executive Director determines that removal of the debris attributed to Chevron is necessary to avoid an unreasonable risk of snagging by trawl nets, this matter shall be set for public hearing before the Commission for the purpose of determining whether or not this coastal development permit shall be amended to require debris removal.





Chevron U.S.A. Inc.

G. R. Steinbach

OCS California Basin Production Department

646 County Square Drive Ventura, California 93003

Decommissioning Project Manager

September 24, 1999

CAUFORNIA COASTAL COMMISSION

Project No. 9802-0751

Mr. Chris Kern California Coastal Commission 45 Fremont Street, Suite 2000 San Francisco, CA 94105

Mr. Mike Valentine State Lands Commission 100 Howe Avenue, Suite 100 South Sacramento, CA 95825-8202

Subject:

Chevron 4H Platforms Shell Mounds Studies

Dear Chris and Mike:

In response to your request, Chevron has reviewed your proposed scope of work for studies of the Chevron 4H Shell Mounds. The following revised scope of work is provided to assist the California Coastal Commission and State Lands Commission in better defining the scope of work for the assessment of the Chevron 4H Platform Shell Mounds. The primary thrust of these revisions is to better define the existing conditions at the sites, identify practical and proven methodologies for removal of the shell mounds and the associated impacts of either removal or remaining in place. Chevron believes it is important the study work scope provide the necessary guidance to allow the potential consultants to submit comparable proposals. Additionally, a more specific scope of work will result in specific recommendations and conclusions at the completion of the work that will aid decision-makers on this issue.

It is important to note that Chevron's view continues to be that the Coastal Development Permit (CDP) conditions dealing with debris surveys and removal were not designed for the shell mounds. The administrative record associated with approval of the CDP shows that the shell mounds were not treated as "debris," but rather as important resources to be preserved. Chevron's position continues to be that the company has complied fully with all conditions of the CDP, including those with respect to debris surveys and removal.

Chevron has nevertheless been working with the staffs of the State Lands Commission and California Coastal Commission to find a solution to the issues raised about trawlability of the shell mounds. Chevron believes that information that can be developed under this Scope of Work may be useful in this regard. Chevron therefore agrees to participate in carrying out the Scope of Work as mutually agreed to. In doing so, however, Chevron continues to maintain its



position that it has complied fully with all applicable provisions of the CDP and State Lands leases, and the company reserves all of its rights and remedies with respect thereto.

It is our understanding that the comments received on this scope of work will be reviewed by Chevron, State Lands Commission and Coastal Commission staffs and those agreed to by the group incorporated in to a final work program. The State Lands Commission, as lead agency, would then administer the selection of a contractor to complete the scope of work. The results of this work would then be used by the State Lands Commission staff to evaluate the alternatives regarding the final disposition of the shell mounds and the request by Chevron for final approval of the completed 4H platform decommissioning project. This approval would be followed by a similar action by the California Coastal Commission. With these approvals, Chevron would then move forward with a request to Quit Claim the leases and return them to the State of California.

Once you have had an opportunity to review our suggested revisions, we would be available to meet with both the Coastal Commission and State Lands Commission to discuss these and other proposed revisions to the scope of work.

Please do not hesitate to call me if you have any questions and to schedule a meeting.

Sincerely

G. R. Steinbach

Attachment

Chevron 4H Platform Shell Mound Studies Draft Scope of Work

Physical and Biological Characterization of Shell Mounds

The consultant shall summarize existing information on the size and shape of each of the four mounds of drilling muds and cuttings and their layer of shells (hereinafter called "shell mounds"). Information regarding the physical characteristics of the mounds is contained in the debris and trawl survey reports submitted by Chevron at the conclusion of the four State Waters Platforms Decommissioning Project. The consultant shall design and supervise a sampling program that will provide data for the analysis of the internal structure of each mound. The sampling program will also provide material for analysis of any possible contaminants within the mounds as well as further document the existing biological resources present at the site. Sampling of the mounds shall be designed to provide physical and chemical characterization of mounds and should include testing for hydrocarbon and heavy metal content (ACOE Dredge Sample Characterization Criteria). Chevron has prepared a report that summarizes the drilling mud use documented in the drilling records for the platforms. This report also contains an extensive literature summary related to drilling mud characteristics and should be used to the extent feasible to quantify the chemical composition of the original mud and cuttings discharge. Chevron recommends that the consultant review, as an independent third-party, the contents of the report prepared by Chevron.

The biological survey results should supplement the information currently contained in the biological survey conducted by Ray de Witt for Chevron for the shell mounds sites as well as published literature on similar shell mounds found under other Pacific platform sites. Such studies include:

- Bascom, W., A.J. Means, and M.D. Moore, 1976. A Biological Survey of Oil Platforms in the Santa Barbara Channel. Proceedings of the Offshore Technology Conference, Paper 2523.
- Carlisle, J.G., C.H. Turner, and E.E. Ebert, 1964. Artificial Habitat in the Marine Environment. California Dept. of Fish and Game Fish Bulletin 124.
- de Wit, L.A., 1999. 4H Platforms Shell Mound Study Santa Barbara Channel, California. Prepared for Chevron U.S.A., Inc. Ventura CA
- Love, M.S., J. Caselle, and L. Snook, in press. Fish Assemblages on Mussel Mounds Surrounding Seven Oil Platforms in the Santa Barbara Channel and Santa Maria Basin.
- Simpson, R.A., 1977. The Biology of Two Offshore Platforms. U.C. Institute of Marine Resources Ref. Document 76-13.

Sedimentation rates and scour rates shall be determined for the mound areas and surrounding area to determine if the mounds will gradually or seasonally become buried by sediments.

Shell Removal Feasibility Study

The consultant shall identify and describe economically practical and proven methods to remove the shell mounds, including, but not limited to, dredging, nets, and explosives. The study shall include a review of shell mound removal methods employed in the Gulf of Mexico and North Sea, taking into account differences in scale (size of platforms, volume of material) and water depth.

As an alternative to removal, the consultant shall determine if means exist to make the mounds trawlable using current fishing gear. Each potential removal method or combination of methods will be examined for effectiveness, cost and potential environmental impacts.

Environmental Impacts of Removing the Shell Mounds

Water Quality Impacts

The consultant shall examine the effects of shell mound removal to marine water quality from a temporary increase in turbidity and the release of materials contained within the shell mounds. The consultant shall assess the toxicity in the marine environment of the drilling muds and cuttings or other contaminants identified as potentially being present within the shell mounds. The assessment shall be based on laboratory analysis of samples taken from the shell mounds and a review of available drilling records to determine the type(s) and quantities of muds used. Analysis should include a review of relevant water quality criteria contained in the RWQCB Ocean Plan, and Section 401/NPDES requirements.

Air Quality Impacts

The consultant shall identify emission sources associated with shell mound removal and provide an estimate of emissions that would result from the removal project. The emission estimates shall be compared with applicable federal and state ambient air quality standards. Potential significant impacts associated with these projected emissions should be identified based upon Santa Barbara County Air Pollution Control District criteria and thresholds.

Biological and related Hard Bottom/Shell Mound Impacts

The consultant shall assess the impact of removal operations to natural hard-bottom habitat in the vicinity of the shell mounds as well as the biological resources contained on and around the mounds themselves. Potential impacts considered shall include direct physical impacts from work vessel anchors, actual removal equipment such as dredges, or other equipment and impacts to hard-bottom communities due to turbidity and siltation.

This discussion and analysis should include an assessment of the potential impacts to the existing biological habitat on the mounds. This assessment shall be based upon information contained in existing studies on the mounds, other similar mounds, natural reef structures, and artificial reef structures found in the region.

Commercial and Recreational Fishing Impacts

The consultant shall identify the current commercial and recreation fishing activities in the project area. The potential short term and long term impacts of the shell mound removal shall be assessed. This assessment shall be based on:

- A specific quantitative analysis of the potential economic value of the shell mound areas to commercial halibut trawlers in the context of the total area fished by affected trawlers.
- An evaluation of whether the shell mounds benefit any types of commercial and/or recreational fisheries, e.g., commercial lobster fishing, or commercial sportfishing charters.

Environmental Impacts of Leaving Shell Mounds in Place

The consultant will analyze the impacts of leaving the mounds in place, to include the following items:

Water Quality Impacts

The consultant shall assess the potential of the shell mounds to maintain their integrity over time, and the potential impacts to water quality should leaching of contaminated sediments from within the mounds into marine waters occur.

Air Quality Impacts

The consultant shall discuss the fact that no new emissions would result from maintaining the mounds in their current state. This should be compared to the removal scenario. Potential beneficial impacts associated with this lack of projected emissions should be identified based upon Santa Barbara County Air Pollution Control District criteria and thresholds.

Biological and related Hard Bottom Impacts

The consultant shall discuss the potential beneficial impacts associated with maintaining the existing hardbottom habitat associated with the shell mounds and adjacent natural hardbottom area.

Commercial and Recreational Fishing Impacts

The consultant shall assess the impacts to the commercial fishing industry that will result if the shell mounds are left in Place. This assessment shall be based on:

- The consultant shall assess the impacts to the commercial fishing industry that will result if the shell mounds are left in place.
- Identification and evaluation of feasible mitigation measures to reduce or eliminate impacts to commercial trawl fishing. Such an assessment shall include the currently proposed distribution of GPS equipment to commercial trawlers so as to assist them avoid snags on the mounds.



County of Santa Barbara Planning and Development

John Patton, Director

September 23, 1999

Mr. Chris Kern
Energy and Ocean Resources Unit
California Coastal Commission
45 Fremont Street, Suite 2000
San Francisco, CA 94105-2219

Re:

"4H" Platform Shell Mound Draft Scope of Work

Dear Chris,

VIA FAX AND MAIL



OCT 0 1 1999

CALIFORNIA COASTAL COMMISSION

The Energy Division has completed its review of the Chevron 4H Platform Shell Mound Studies Draft Scope of Work and would like to provide the following comments for your consideration.

Under the Feasibility Study section, the consultant should also consider the effect of removing the shell mounds on the trawlability of the surrounding areas. During the trawl tests there were a number of protrusions encountered that were related to existing and abandoned pipelines in the area. Concrete mats were placed on top of pipelines to make those areas trawlable. It is possible that with the removal of the shell mounds those areas would once again present problems to future trawlers. The consultant's analysis should include the treatment that may have to be given to those protrusions.

Under the Habitat Loss Impacts section, the analysis should also focus on how much the habitat was reduced as a result of removing the platforms, which "fed" the habitat of the shell mounds. The shell mounds viability as biological habitat seems to be tied to the existence of the platforms above them and the study should show whether the viability of the habitat continues absent the platforms above the shell mounds.

We stand by our earlier position that any shell mound study be prepared by an independent consultant under contract to the agencies so that scientific objectivity can be maintained. We appreciate the opportunity to comment and request to remain involved in the review of documents produced by the consultant. If you have any questions, please contact me at (805) 568-2040.

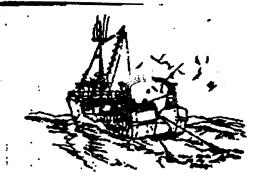
Sincerely,

Energy Specialist

cc: Board of Supervisors

Alison Dettmer - Coastal Commission

Paul Thayer - SLC Linda Krop -EDC



SOUTHERN CALIFORNIA TRAWLERS ASSOCIATION 6 Harbor Way #101, Santa Barbara CA 93109 805-566-1400 Fax 805-566-0188

September 14, 1999

Mr. Peter Douglas, Executive Director California Coastal Commission 45 Fremont Street, San Francisco, CA 94105-2219 SEP 1 5 1999

CALIFORNIA COASTAL COMMISSION

Re: Draft Scope of Work, Chevron 4-H Shell Mounds

Dear Mr. Douglas:

As a group of small-boat trawlers who harvest halibut in the Santa Barbara Channel, we are writing to comment on the Draft Scope of Work for the Chevron 4-H Shell-Mound Study.

First, we are concerned that some of the proposed analysis is inconsistent with and irrelevant to permit conditions that required proper abandonment of the 4-H rigs. Those conditions were drafted to ensure that removal of the platforms was undertaken in a manner that left the seafloor clean, without snags that could damage trawl nets. The draft work-scope goes far beyond that, to issue-areas that are neither appropriate nor justified, such as "potential adverse impacts to marine biological resources that will result from the continuation of trawling in the lease area."

To begin with, we are disturbed by the use of the word "will," as in, "will result from..." This very wording presupposes impacts from trawling. The fact is, there are no studies suggesting trawling in muddy habitats of the Santa Barbara Channel — areas like those around the shell mounds — poses any biological risk. We have been trawling there (in the California Halibut Trawl Grounds) since 1971, without incident and without negative affects. In fact, halibut landings in the vicinity are sustainable and stable. Plus, we protect these grounds by observing a three-month closure for spawning halibut (the only gear-type, sport or commercial, that observes this closure).

Moreover, and even more important, potential or perceived biological impacts from trawling have nothing to do with mitigating impacts to commercial fishermen from the shell mounds. Therefore, we strongly urge that this avenue of inquiry be deleted from the study.

Second, a perceived or potential conflict between sport fishermen and commercial trawlers is also not an issue that should be addressed in the study. There has never been a problem between the two groups in the area of the shell mounds, and, once again, this issue is irrelevant to the decommissioning process. Therefore, we urge that you delete any assessment of sport/commercial conflicts from the proposed work scope.

Third, regarding the potential economic value of the shell-mound areas to trawlers, please note that halibut grounds are really quite limited. We can't fish near rocks, reefs or hard bottom, nor can we fish too deep. too shallow or too close to shore. We can't fish near subsea oilfield debris or apparatus (pipelines, well heads, etc.) or near sunken boats, barges or aquaculture sites. On top of that, halibut are found in some areas but not others, for reasons not entirely known.

What we do know, however, is that among our limited fishing areas, the 4-H rigs are located in a prime spot of muddy bottom where halibut congregate. Studies of halibut-trawl areas should be limited to locales of significant effort and specific areas where they are caught. Even if occasional or incidental halibut landings are made from various locales in or near the Santa Barbara Channel, they need to be assessed relative to their contribution — major or minor — to the halibut trawl fishery as a whole.

Thank you for the opportunity to comment on the draft work-scope. If you have any questions, please contact me at the address or phone number listed above.

Sincerely,

Mike McCorkle President

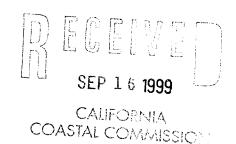
Note M'(nobel

CC:

Pedro Nava, Coastal Commissioner
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September 13, 1999





California Coastal Commission 45 Fremont Street, Suite 2000 San Francisco, CA 94105 Fax 415-904-5400

Re: Shell Mounds Draft Scope of Work

Dear Honorable Commissioners,

I just received Commission staff's draft Scope of Work regarding the Chevron 4-H Platform Abandonment project and remaining shell mounds. Staff has asked for a response prior to the Commission's hearing on September 15. As you know, EDC has represented environmental and fishing organizations in this matter for almost three years, and in August, 1998, requested that the Commission enforce its 1995 platform abandonment permit.

The primary purpose of this letter is to express our extreme frustration and disappointment with the process. First, many interested parties were not provided with a copy of the draft Scope of Work. Second, we were not advised of the September 15 hearing in a timely manner. I certainly cannot attend a hearing on the 15th in Eureka with less than one week notice. Third, we have not been provided time to review the proposal with our clients. After three years of effort on our part, we are provided with less than one week to respond to a proposal for a study of the mounds and the feasibility of removing them.²

Nevertheless, EDC offers the following initial response. The draft Scope of Work ignores the express requirements of Chevron's abandonment permit. The Commission's permit, approved in February, 1995, requires a trawl test to be conducted and states that "If the Executive Director or the Joint Oil/Fisheries Liaison Office determines that installation of shrouds or other appropriate measures is necessary to avoid an unreasonable risk of snagging, this matter shall be set for public hearing before the Commission for the purpose of determining whether or not this coastal development permit shall be amended to require installation of the appropriate measures." (Condition 6, attached hereto.)

You will no doubt recall that last month, the Commission and the public were informed that the matter would return to the Commission in January, with a progress report on the Scope of Work to be provided later in the year. While we certainly do not want to delay the process, we also want full public participation.



EDC represents the Environmental Coalition of Santa Barbara and the Pacific Coast Federation of Fishermen's Associations in this matter.

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Condition 7 requires that Chevron execute a survey of any remaining seafloor debris and submit evidence from such survey(s). "Prior to Chevron's quitclaim or assignment of leases PRC 1824 and PRC 3150, Chevron shall submit to the Executive Director and the SLC an analysis, to include supporting information, of whether or not debris identified in the above surveys and attributed to Chevron shall be removed. If the Executive Director determines that removal of the debris attributed to Chevron is necessary to avoid an unreasonable risk of snagging by trawl nets, this matter shall be set for public hearing before the Commission for the purpose of determining whether or not this coastal development permit shall be amended to require debris removal." (Condition 7, attached hereto.)

Consequently, the Scope of Work must first be revised to provide the following information as required by the permit:

- 1. Evidence from the surveys that identifies seafloor debris from the platform abandonment site;
- 2. An analysis of whether the debris creates an unreasonable risk of snagging by trawl nets;
- 3. Whether installation of shrouds or other appropriate measure is feasible and appropriate to avoid an unreasonable risk of snagging; and
- 4. Whether removal of the debris is necessary to avoid an unreasonable risk of snagging by trawl nets.

Once this information is presented, a hearing must be set before the Commission. The Commission must determine whether an unreasonable risk of snagging exists and whether removal of the debris is necessary to avoid this risk.³ After the Commission decides that removal is necessary to avoid the risk of snagging, it may be appropriate to analyze the impacts of removal and determine whether there are other measures or alternatives that will substantially lessen such impacts. (Pub. Res. Code §21080.5.)

In this case, the Scope of Work *completely* fails to include the analysis specifically required in the permit. There is no analysis of risk to trawlers or benefits of removal. Accordingly, the Scope of Work must be revised as stated above. In addition, the Scope of Work fails to compare short-term vs. long-term impacts, and fails to address the cumulative impacts of leaving debris on the seafloor after abandonment. Leaving debris in place will set a precedent for approximately 20 other platforms off our coast.

EDC has submitted evidence of an unreasonable risk of snagging to trawlers. A number of trawlers have already snagged their gear on the mounds, and now they are forced to avoid the area, in direct contradiction to the intent of the permit. Other methods to avoid snagging, such as installation of buoys and radar, have proven ineffective.

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The draft Scope of Work contradicts the intent of the permit by also including an analysis of the impacts of trawling. Not only is this analysis irrelevant to the issue at hand, but it is in complete contradiction to the permit currently in effect. In 1995, the Commission decided to protect this site for trawling (see Conditions 6 and 7); for the Commission to now decide that trawling may not be an appropriate activity for the area would require a separate permit amendment and full review.

Finally, the draft Scope of Work allows removal of the mounds *only* if significant environmental damage will not result, but does not provide the same standard for leaving the mounds in place. The Scope of Work should be revised to provide that, even if removal will result in significant impacts, removal may nevertheless be allowed if similar or greater impacts will result by leaving the mounds in place. **According to CEQA, alternatives are only allowed if the impacts of removal would be "substantially lessened.**" (Pub. Res. Code §21080.5.) In this analysis, both short-term and long-term impacts must be addressed.

In summary, we are very disappointed with the short timeframe to respond to the draft proposal, and with the lack of notice to interested parties. We are also concerned that the Scope of Work does not implement or enforce the permit conditions adopted by the Commission in February, 1995. We urge the Commission to direct staff to work with the environmental community, the commercial fishing community (including the trawlers), and the County of Santa Barbara, and to provide the analysis required in the *existing* platform abandonment permit. **Please also continue this item to a date and location that will allow for full input from interested parties**.

Thank you for your attention to this matter.

Sincerely,

Linda Krop Chief Counsel

cc: Environmental Coalition of Santa Barbara

PCFFA

Sen. Jack O'Connell

Assemblywoman Hannah-Beth Jackson

Paul Thayer, State Lands Commission

Santa Barbara County Supervisor Naomi Schwartz Luis Perez, Santa Barbara County Energy Division

Mike McCorkle

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1.0 STAFF RECOMMENDATION

The staff recommends that the Commission adopt the following resolution:

APPROVAL WITH CONDITIONS

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

2.0 STANDARD CONDITIONS See Appendix B.

3.0 SPECIAL CONDITIONS

This permit is granted subject to the following special conditions:

- 1. If the Department of Fish and Game (DFG) pursues and obtains all necessary approvals for the use of all or part of the subject platforms for an artificial reef program, Chevron shall obtain an amendment to this coastal development permit.
- Chevron shall obtain an amendment to this coastal development permit for any modification of
 project activities that results in a change to the project Stipulations or Final Mitigation
 Monitoring Plan required by the State Lands Commission (SLC) pursuant to Mitigated
 Negative Declaration No. ND 652 (certified by the SLC on August 3, 1994).
- 3. Prior to commencement of project activities, Chevron shall submit to the Executive Director a final copy of all permits required for project operations by (1) the Santa Barbara County Air Pollution Control District, and (2) the U.S. Army Corps of Engineers. Chevron shall submit to the Executive Director, within 48 hours of receipt, copies of any future permits issued by the National Marine Fisheries Service for this project.
- 4. Chevron shall implement all conditions and requirements imposed by the Department of Fish and Game (DFG) pursuant to Explosives Permit No. EP-94-1 (November 14, 1994). In the event that the DFG amends Explosives Permit No. EP-94-1, Chevron shall obtain an amendment to this coastal development permit.
- 5. In addition to those measures contained in the project description or in Department of Fish and Game (DFG) Explosives Permit No. EP-94-1, Chevron shall take the following measures to avoid impacts to marine mammals, reptiles and birds:
 - (a) Project operations shall occur between June 1 and November 30 to avoid impacts to migrating California gray whales.
 - (b) If removal of marine mammals from platform structures is necessary, Chevron shall contract with an independent marine mammal rescue organization or person approved by the Executive Director to conduct this activity. Criteria for approval shall be that the organization (1) is experienced in the rescue and handling of marine mammals, (2) holds a

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National Marine Fisheries Service Letter of Authorization pursuant to the Marine Mammal Protection Act for this activity, and (3) submits a post-operations report to the Executive Director describing circumstances under which any marine mammals were taken.

- (c) Thirty (30) minute aerial surveys shall be conducted by qualified observers approved by the Executive Director one hour prior to detonation of explosives to ensure that no marine mammals or sea turtles are within a 1,000-yard radius of the detonation site nor are likely to enter this area prior to or at the time of detonation (as recommended by the National Marine Fisheries Service and required by the U.S. Army Corps of Engineers). Detonations shall not occur if weather conditions prevent compliance with this condition, or if the aerial observers cannot communicate with the person in charge of the detonation operations.
- (d) Within fifteen (15) days of the removal of each platform, Chevron shall submit to the Executive Director a report describing the removal operations conducted, any impacts of these operations on marine mammals and birds, and the effectiveness of the project's mitigation measures (both those proposed by Chevron and those required by the marine resource agencies) in preventing or reducing impacts to marine mammals and birds.
- 6. In conjunction with the trawl test required by the State Lands Commission to ensure debris clearance, Chevron shall conduct a test trawl over the abandoned pipeline and cable ends and Hazel bases. This trawl test shall provide for use of conventional trawling gear (i.e., gear that would allow it to clear seafloor obstructions, comparable to that which would be used by commercial fishermen in the area). Within 14 days of completion, Chevron shall submit to the Executive Director and the Joint Oil/Fisheries Liaison Office (JOFLO) results of all trawl tests and an analysis, to include supporting information, of whether or not shrouds shall be placed over the abandoned structures, or anchor scars leveled, in order to prevent snagging by nets. Chevron shall also submit to the Executive Director within 30 days of completion results of all ROV or Side scan sonar surveys of the abandoned structures. If the Executive Director or the JOFLO determines that installation of shrouds or other appropriate measures is necessary to avoid an unreasonable risk of snagging, this matter shall be set for public hearing before the Commission for the purpose of determining whether or not this coastal development permit shall be amended to require installation of the appropriate measures.
- 7. Prior to Chevron's quitclaim or assignment of state oil and gas leases PRC 1824 and PRC 3150 on which the "4H Platforms" lie, Chevron shall submit to the Executive Director a State Lands Commission (SLC)-approved chart showing all known areas of operation within these leases and shall either (1) execute a survey, with an ROV and/or high-resolution side scan sonar, within 1000 feet of these areas of operation to identify and chart the locations of any seafloor debris or (2) submit evidence that equivalent surveys of these areas of operation have been conducted. Prior to Chevron's quitclaim or assignment of leases PRC 1824 and PRC 3150, Chevron shall submit to the Executive Director and the SLC an analysis, to include supporting information, of whether or not debris identified in the above surveys and attributed to Chevron shall be removed. If the Executive Director determines that removal of the debris attributed to Chevron is necessary to avoid an unreasonable risk of snagging by trawl nets, this matter shall be set for public hearing before the Commission for the purpose of determining whether or not this coastal development permit shall be amended to require debris removal.

Chevron 4H Platform Shell Mound Studies DRAFT Scope of Work TU-15a

Physical Characterization of Shell Mounds

The consultant shall synthesize existing information on the size and shape of each of the four mounds of drilling muds and cuttings and their layer of shells (hereinafter "shell mounds"), and shall supervise a coring program that will provide data for the analysis of the internal structure of each mound. The coring program will also provide material for analysis of any possible contaminants within the mounds. Sedimentation rates and scour rates shall be determined for the mound areas.

Removal of Shell Mounds

Feasibility Study

The consultant shall identify feasible methods to remove the shell mounds, including, but not limited to, dredging, nets, and explosives. The study shall include a review of shell mound removal methods employed in the Gulf of Mexico, taking into account differences in scale (size of platforms, volume of material) and water depth. As an alternative to removal, the consultant shall determine if means exist to make the mounds trawlable using current fishing gear. Each potential removal method or combination of methods will be examined for effectiveness, cost and potential environmental impacts.

Water Quality Impacts

The consultant shall examine the effects of removal to marine water quality from temporary increase in turbidity and the release of materials contained within the shell mounds. The consultant shall assess the toxicity in the marine environment of the drilling muds and cuttings or other contaminants within the shell mounds. The assessment shall be based on laboratory analysis of core samples taken from the shell mounds and a review of all available drilling records to determine the type(s) and quantities of muds used.

Air Quality Impacts

The consultant shall identify emission sources associated with shell mound removal and provide an estimate of emissions that would result from the removal project. The emission estimates shall be compared with applicable federal and state ambient air quality standards.

Hard Bottom Impacts

The consultant shall assess the impact of removal operations to natural hard-bottom habitat in the vicinity of the shell mounds. Potential impacts considered shall include direct physical impacts from work vessel anchors, actual removal equipment such as dredges, or other equipment and impacts to hard-bottom communities due to turbidity and siltation.

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Trawling Impacts

The consultant shall assess the potential adverse impacts to marine biological resources that will result from the resumption of trawl fishing in the lease area.

Habitat Loss Impacts

If it is found feasible to remove the mounds without significant environmental damage, then the consultant shall assess the possibility that the mounds provide significant habitat values on their own. The consultant shall evaluate the degree to which the shell mounds increase the regional numbers of adult fish and/or act as fish attracting devices ("FADs"). The analysis will be based on the data contained in the studies of the shell mounds conducted prior to platform removal and on the study conducted following platform removal. The analysis shall include a discussion of the sources of uncertainty regarding the conclusions and will recommend additional field work if it is thought that such studies would significantly strengthen or falsify the conclusions of the study regarding the contribution of the shell mounds to the regional standing stock of fish. The consultant shall evaluate the environmental significance associated with the loss of habitat that will result if the shell mounds are removed.

Environmental Impacts of Leaving Shell Mounds in Place

If it is determined that it is not feasible to remove the mounds without unacceptable environmental harm, then the consultant will analyze the impacts of leaving the mounds in place, to include the following items:

Water Quality Impacts

The consultant shall assess the potential of the shell mounds to maintain their integrity over time, and the potential impacts to water quality should leaching of contaminated sediments from within the mounds into marine waters occur.

Commercial Fishing Impacts

The consultant shall assess the impacts to the commercial fishing industry that will result if the shell mounds are left in place. This assessment shall be based on:

¹Bascom, W., A.J. Means, and M.D. Moore, 1976. A Biological Survey of Oil Platforms in the Santa Barbara Channel. Proceedings of the Offshore Technology Conference, Paper 2523.

Carlisle, J.G., C.H. Turner, and E.E. Ebert, 1964. Artificial Habitat in the Marine Environment. California Dept. of Fish and Game Fish Bulletin 124.

de Wit, L.A., 1999. 4H Platforms Shell Mound Study Santa Barbara Channel, California. Prepared for Chevron U.S.A., Inc. Ventura CA

Love, M.S., J. Caselle, and L. Snook, in press. Fish Assemblages on Mussel Mounds Surrounding Seven Oil Platforms in the Santa Barbara Channel and Santa Maria Basin.

Simpson, R.A., 1977. The Biology of Two Offshore Platforms. U.C. Institute of Marine Resources Ref. Document 76-13.

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- A specific quantitative analysis of the potential economic value of the shell mound areas to commercial halibut trawlers in the context of the total area fished by affected trawlers.
- An evaluation of whether the shell mounds benefit any types of commercial and/or recreational fisheries, e.g., commercial lobster fishing, or commercial sportfishing charters.
- Identification and evaluation of feasible mitigation measures to reduce or eliminate impacts to commercial trawl fishing.
- Potential adverse impacts to the marine biological resources that will result from the continuation of trawl fishing in the lease area.
- Nature and extent of potential use conflicts in the lease area, i.e., between trawlers and sportfishing.