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STAFF REPORT: COMBINED CONSISTENCY CERTIFICATION AND COASTAL DEVELOPMENT PERMIT APPLICATION

CDP Application No.:	**E-01-032**
Consistency Certification	**CC-18-03**
Project Applicant:	**ExxonMobil Corporation**
Location:	In state and federal waters offshore of El Capitan State Beach in the Santa Barbara Channel, Santa Barbara County.
Project Description:	Install a new 17-mile long electrical power cable from Las Flores Canyon Processing Facility to offshore Platform Heritage to replace a failed power cable, initially remove a five-mile length of the failed cable and defer removal of the remainder, install a new five-mile long power cable between offshore platforms Hondo and Harmony, and provide fiber optic communication capability, and implement mitigation measures identified in the project's MND/EA and consistency certification.

SYNOPSIS

ExxonMobil Corporation (the Applicant) proposes to improve electrical transmission and communication capabilities between its onshore and offshore facilities in the Santa Ynez Unit (SYU) Outer Continental Shelf oil and gas lease area located in the Santa Barbara Channel. The proposed project includes replacing a failed power cable with a new power cable approximately 17 miles long between the Las Flores Canyon Processing Facility and offshore Platform Heritage, and adding a new power cable approximately five miles long between Platforms Hondo and Harmony. The new cables will include fiber optic communication capability. In addition to installing the cables, the project includes installing electrical and communication equipment on the platforms and at the Las Flores Canyon facility. The project also involves removing several sections of the failed cable, including approximately five miles of the failed cable closest to shore, a section within a tunnel and conduit at the shoreline, and a section in a J-tube on Platform Heritage. The remainder of the cable is proposed to be removed at the end of production at SYU, expected to be between 2020 and 2030.

This staff report represents a combined coastal development permit and federal consistency determination. A portion of the project lies within the Coastal Commission's retained coastal permit jurisdiction from the mean high tide line to the territorial extent of the waters of the State of California and is the subject of coastal development permit application E-01-032. Portions of the project in the federal Outer Continental Shelf are subject to federal consistency review, which is being provided in response to a permit application to the United States Army Corps of Engineers (Corps) pursuant to Section 307(c)(3)(A) of the Coastal Zone Management Act. For the portion of the project that lies in State waters, the consistency certification is redundant, as the coastal development permit serves as a consistency certification. On March 6, 2003, the Applicant submitted a consistency certification to the Coastal Commission stating that the proposed activity, including the mitigation measures in the project's Mitigated Negative Declaration/Environmental Assessment (MND/EA) and the applicant's agreed conditions, complies with California's approved coastal management program (CCMP) and will be conducted in a manner consistent with the CCMP (see Appendix B). The onshore portions of the project are within the coastal development permit jurisdiction of Santa Barbara County.

Major Coastal Act issues associated with this project include placing fill in coastal waters; potential impacts to marine biological resources, including marine mammals, eelgrass, and abalone; water quality impacts primarily due to turbidity; potential impacts to commercial fishing, public access and recreation, cultural resources, and air quality. The project includes a number of measures described in the MND/EA that will to avoid or mitigate impacts to these and other coastal resources in both state and federal waters, and the Applicant has committed in the consistency certification to those conditions (see Appendix D). Mitigation measures include:

- Conducting biological surveys to determine anchoring, cable, and vessel locations that will avoid or minimize impacts to hard bottom substrate, eelgrass, and water quality.
- Using a dynamic-positioning vessel to minimize the need for anchoring and further reduce impacts to hard bottom substrate, eelgrass, and water quality, and developing an anchoring plan that will further reduce the risk to those resources.

- Immediately removing a portion of the failed cable to reduce the overall increase in project-related fill and committing to remove the remainder at the end of SYU production.
- Providing a marine mammal protection plan to avoid and minimize disturbance of marine mammals.
- Providing an oil spill prevention and response plan to minimize the risk of spills in coastal waters.
- Coordinating project activities with agencies and fishing interests to minimize disruption to commercial fishing.

To ensure the proposal conforms to Coastal Act policies, this staff report recommends a number of special conditions. **Special Condition 1** limits project work to that authorized by the Commission's decision. **Special Condition 2** indemnifies the Commission for damages that may occur due to this project, and **Special Condition 3** establishes that the Permittee would pay legal costs in association with this decision. **Special Condition 4** is meant to ensure the project receives all necessary permits before work begins. **Special Condition 5** requires Executive Director approval of the Permittee's marine mammal protection plan before work begins. **Special Condition 6** requires similar approval of measures to protect any endangered white abalone that may be in the project area. **Special Condition 7** requires Executive Director approval of the Permittee's anchoring plan before work begins. **Special Condition 8** is meant to ensure protection and adequate mitigation for eelgrass. **Special Condition 9** is meant to prevent the spread of the invasive plant Caulerpa taxifolia. **Special Condition 10** requires the project's oil spill response plan and refueling plan be approved by appropriate state and federal agencies. **Special Condition 11** requires additional spill prevention measures for part of the nearshore work. Finally, **Special Condition 12** requires Executive Director approval for work that may affect archaeological sites.

The Commission staff recommends approval of the proposed project, as conditioned. The Commission staff also recommends that the Commission concur with consistency certification CC-18-03 for the proposed project as conditioned.

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1.0 STAFF RECOMMENDATION

1.1 Approval with Conditions

The staff recommends conditional approval the project proposed in Coastal Development Permit Application No. E-01-032 consisting of the Santa Ynez Unit Offshore Power System Repair Project, as amended, and as described in the staff report dated March 27, 2003.

Motion:

I move that the Commission **approve** subject to the conditions set forth in the staff report dated March 27, 2003 the project proposed in Coastal Development Application No. E-01-032.

Staff recommends a **YES** vote on the foregoing motion. Passage of this motion will result in conditional approval of the permit and adoption of the following resolution and findings. The motion passes only by affirmative vote of a majority of the Commissioners present.

Resolution:

The Commission hereby **approves** Coastal Development Permit E-01-032 for the proposed project and adopts the findings set forth below on the grounds that the development as conditioned will be in conformity with the policies of Chapter 3 of the Coastal Act. Approval of the permit complies with the California Environmental Quality Act because either (1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the development on the environment, or (2) there are no further feasible mitigation measures or alternatives that would substantially lessen any significant adverse impacts of the development on the environment.

1.2 Concurrence in Consistency Certification

The staff recommends concurrence in Consistency Certification CC-18-03 for the project consisting of the Santa Ynez Unit Offshore Power System Repair Project, as amended, as described in the staff report dated March 27, 2003.

Motion:

I move that the Commission **concur** in Consistency Certification CC-18-03 that certifies that the proposed project is consistent with the enforceable policies of the California Coastal Management Program (CCMP).

Staff recommends a **YES** vote on the motion. Passage of this motion will result in concurrence in the certification and adoption of the following resolution and findings. An affirmative vote of a majority of the Commissioners present is required to pass the motion.

Resolution:

The Commission hereby **concurs** with Consistency Certification CC-18-03 for ExxonMobil Corporation and finds that the proposed project is consistent with the enforceable policies of the California Coastal Management Program (CCMP).

2.0 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 before the expiration date.

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

4. **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.

5. **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.

3.0 SPECIAL CONDITIONS

The permit is granted subject to the following special conditions:

1. **Scope of Project Approval:** This permit authorizes removal and installation of power cables as specifically described in the Permittee's August 19, 2002 coastal development permit application submittals (Offshore Power Supply Repair Project: Amended), except as otherwise modified by the conditions of this permit. Any modifications of or additions to the project shall require an amendment to this permit.

2. **Indemnification:** In addition to any immunities provided for by law, in exercising this permit, the Permittee agree to hold harmless and indemnify the Coastal Commission, its officers, employees, agents, successors and assigns from any claims, demands, costs, expenses and liabilities for any damage to public or private properties or personal injury that may result directly or indirectly from the project.

3. **Liability for Costs and Attorneys Fees:** The Permittee shall reimburse the Coastal Commission in full for all costs and attorneys fees --- including (1) those charged by the Office of the Attorney General, and (2) any court costs and attorneys fees that the Coastal Commission may be required by a court to pay --- that the Coastal Commission incurs in connection with the defense of any action brought against the Coastal Commission, its officers, employees, agents, successors and assigns challenging the approval or issuance of this permit, the interpretation and/or enforcement of permit conditions, or any other matter related to this permit.

4. **Other Permits and Approvals:** Before starting construction, the Permittee shall provide to the Executive Director copies of all other local, state, and federal permits required to perform project-related work. These permits and approvals include:
   a. Regional Water Quality Control Board – Central Coast Region: final approved 401 water quality certification.
   b. State Parks: Temporary Use Permit, to be issued.
   c. San Luis Obispo Air Pollution Control District: "Authority to Construct" permit.
   d. U.S. Army Corps of Engineers: Nationwide Permits #3 and #12, pursuant to Rivers and Harbors Act Section 10 and Clean Water Act Section 404.
   e. U.S. Environmental Protection Agency: approval for clearing J-tubes on offshore platforms.

5. **Marine Mammal Protection Plan:** Before starting construction, the Permittee shall provide a marine mammal protection plan subject to review and approval by the Executive Director. Project-related construction shall not begin before the Executive Director approves the plan. The plan shall include mitigation measures including avoidance techniques, use of at least two NMFS-approved monitors during project activities, establishing marine mammal protection zones near the work areas, routing vessels away from marine mammals and known travel corridors, requiring regular reports of marine mammal sightings and any project-related incidents, and training project personnel on techniques to avoid harming or harassing marine mammals.

6. **Abalone Pre-construction Survey:** Before starting construction, the Permittee shall provide results of the marine biology pre-construction survey to the Executive Director. If the survey shows that white abalone (*Haliotis sorenseni*) are believed to be present, the Permittee shall not begin construction until providing evidence to the Executive Director that the California Department of Fish and Game or the National Marine Fisheries Service have approved measures to protect or relocate the abalone.

7. **Anchoring Plan**. Before starting construction, the Permittee shall provide an anchoring plan for review and approval by the Executive Director. This plan shall identify all areas of hard bottom substrate in the project area and shall include measures to avoid direct and indirect impacts to these areas.

8. **Eelgrass Survey and Mitigation:** The Permittee shall conduct pre- and post-project eelgrass surveys to determine whether eelgrass is damaged during project activities. The survey protocols shall be submitted to the Executive Director for review and approval, and shall, at a minimum, conform to the Southern California Eelgrass Mitigation Policy (Appendix B). The Permittee shall provide survey results to the Executive Director within 30 days of completing each survey.

   If the Executive Director determines that less than 10 square meters of eelgrass was damaged during project activities, the Permittee shall submit for Executive Director review and approval a mitigation plan that conforms to the protocols of the Southern California Eelgrass Mitigation Policy. If the Executive Director determines that 10 square meters or more eelgrass area was damaged, the Permittee shall submit an application for permit amendment to determine mitigation requirements.

9. ***Caulerpa taxifolia* Pre-construction Survey:** No earlier than 90 days and no later than 30 days before starting project construction, the Permittee shall complete a survey of the nearshore portion of the project area in accordance to the protocols established in Section D of the *Caulerpa* Control Protocol established by the Southern California *Caulerpa* Task Force, dated November 22, 2002. Within five (5) business days of completing the survey, the Permittee shall submit the results for review and approval by the Executive Director and the Task Force's Surveillance Subcommittee (contact William Paznokas, California Department of Fish and Game, at 858-467-4218 or Robert Hoffman, National Marine Fisheries Service, at 562-980-4043).

   If *Caulerpa taxifolia* is found within the survey area, the Permittee shall not proceed with the project until (a) the Permittee provides evidence to the Executive Director that all *Caulerpa taxifolia* discovered within the survey area has been eliminated in a manner that complies with all applicable regulatory requirements, including the Coastal Act, or (b) the Permittee has revised the project to avoid any contact with *Caulerpa taxifolia*. No revisions to the project shall occur without a Coastal Commission-approved amendment to this coastal development permit, unless the Executive Director determines that an amendment is not required.

10. **Spill Prevention and Response Plan and Refueling Plan.** Before starting construction, the Permittee shall submit evidence to the Executive Director that the spill response plan required of the project's work vessels and approved by the U.S. Coast Guard has also been approved by the California Department of Fish and Game Office of Spill Prevention and Response, and that the refueling plan has been approved by the State Lands Commission.

11. **Operational Oil Spill Safety:** Work in the tunnel and conduit shall occur only with the pipelines shut in and the power cables de-energized unless the Permittee provides for Executive Director review and approval evidence showing that the work will be done safely with the pipelines and cables in operation.

12. **Archaeological and Paleontological Sites:** All work shall occur outside of a 300-foot buffer around known cultural resource sites unless otherwise approved by the Executive Director. In addition, if any unknown sites are detected during project operations, work that may affect those sites shall not occur unless approved by the Executive Director.

4.0 FINDINGS AND DECLARATIONS

4.1 Project Description and Background

ExxonMobil Corporation (hereinafter the Applicant) proposes to install a new 17-mile long power cable to replace a failed power cable running from its Las Flores Canyon onshore oil and gas processing facility to offshore Platform Heritage, and install a new five-mile long power cable between offshore Platforms Hondo and Harmony. The project also includes removing an approximately five-mile long portion of the failed cable during cable installation and deferring removal of the remainder of the failed cable until the end of oil and gas production at the platforms.

All facilities are in or adjacent to the Santa Barbara Channel (see Figure 1). The project is intended to restore and improve redundancy to the offshore electrical power system that supports the Applicant's Santa Ynez Unit (SYU) oil and gas production operations. The new cables include fiber optic components and will result in improved communications capability between the platforms and the onshore facility.

The SYU operations consist of 16 Outer Continental Shelf (OCS) leases located in the Santa Barbara Channel, offshore of El Capitan State Beach, and include three offshore platforms – Platform Heritage, located about 8 miles from shore; Platform Harmony, about 6 miles from shore; and Platform Hondo, located about 5 miles from shore (see Figure 2). The SYU also includes the Las Flores Canyon facility, located several miles inland, and about fifty miles of oil and gas pipelines and fifty miles of power cables running between the onshore facility and the platforms and between the platforms. These facilities currently produce about 54,000 barrels of oil per day and about 83 million cubic feet of gas per day. The proposed project would not change production levels from the facilities. The SYU facilities also include several pipelines and a length of cable remaining from the decommissioned Offshore Treatment and Storage (OS&T) Vessel, which are scheduled to be removed at the end of SYU operations.

Pipelines and power cables run underground from the Las Flores Canyon facility to a tunnel and conduit under Highway 101, a railroad, a bikepath, and El Capitan State Beach. The tunnel and conduit are about 1700 feet long and contain three 6-inch diameter power cables (Cables A, B, and C) and three pipelines (20-inch emulsion, 12-inch gas, and 12-inch water). The tunnel and conduit starts about 800 feet north of the shoreline and extends offshore about 800 feet offshore at a water depth of about 25 feet of water. From there, the pipelines and cables follow a corridor approximately 250' wide to a point about three miles offshore. At that point, the pipelines and cables diverge and run to the three offshore platforms. Water depth at the deepest point along the cable route is approximately 1350 feet.

In November 1999, Cable C, which provided power to Platform Heritage, failed. Electrical tests identified a fault in the cable approximately three miles from shore in about 245 feet of water. A video survey by a Remotely Operated Vehicle (ROV) showed no external damage to the cable. Further electrical testing performed by the Applicant to determine the cause of failure resulted in no conclusive determination; however, it is believed the fault was either due to insulation failure or damage that may have occurred during the initial cable installation. Electrical power to the three platforms is currently being provided by the two remaining power cables; however, if either of these cables were to fail, the remaining cable would not have the capacity to provide the level of electrical power needed to operate the platforms at their current rate of production.

Regulatory History: Exxon Corporation originally obtained the leases in 1968. Portions of the SYU development and facilities were originally permitted by the U.S. Geological Survey in 1974. In 1976, the California Coastal Zone Conservation Commission approved coastal development permit #216-75 for developing onshore facilities and temporary use of a marine terminal. In 1983, the Commission provided consistency concurrence for the portion of the project in federal waters (CC-7-83), and in 1985 provided consistency concurrence for onshore and nearshore portions of the project (CC-7-83R). In 1988, the Commission issued coastal development permit E-88-1 and consistency certification CC-64-87 for additional onshore and nearshore facilities, including the pipelines and power cables running from shore to the offshore platforms. This approval included a permit requirement that Exxon provide a restoration plan prior to abandonment of those facilities:

> *Condition #3: Prior to termination of the operation of any of these facilities authorized by this permit, Exxon shall apply for a coastal permit for the abandonment of the subject facilities. A permit application for facility abandonment shall include plans for site restoration.*

The failed power cable that is subject of the current proposed project is one of the facilities authorized by CDP E-88-1 and CC-64-87, and therefore requires ExxonMobil to submit a site restoration plan as part of a permit application in advance of abandonment. Because the power cable failure was unexpected, ExxonMobil did not apply in advance for abandonment and site restoration; however, this current proposed project is meant to respond in part to the requirements of Condition #3 above. The Applicant is complying with this requirement by removing that portion of the failed cable that lies within state waters, as well as a portion within federal waters, and has agreed to remove the remainder of the cable within federal waters at the end of production at SYU, subject to Commission approval.

Project jurisdiction: The onshore portion of the project is within the LCP jurisdiction of Santa Barbara County, and includes the Las Flores Canyon processing facility, and the shoreward part of the tunnel. Project-related work in this area includes staging equipment, removing a portion of the failed cable, and installing a new cable. The portions of the project in coastal waters are within the Commission's retained coastal development permit jurisdiction or in federal waters subject to the Commission's review of federal consistency (see Section 4.2 below).

Project Design and Construction:

The primary components of the project include:

- Removing an approximately 5-mile long portion of failed Cable C along with sections of the cable onshore and at Platform Heritage;
- Installing electrical and communication equipment on the three platforms to allow operation of new power cables and communications equipment;
- Replacing the failed shore-to-platform power cable with a new cable, Cable C-1;
- Installing a new platform-to-platform power cable, Cable D-1, between Platforms Hondo and Harmony through existing J-tubes on the platforms; and,
- Removing the remainder of failed Cable C at end of SYU production.

To design the project to avoid or minimize impacts to coastal resources, the Applicant performed a number of tests and surveys to determine the cause and location of the cable failure, to determine characteristics of existing and proposed cable routes, and to determine marine biological resources in the cable area. Surveys were done using divers in the shallower areas of the project and ROV video and side scan sonar for the deeper water portions of the project.

Surveys included:

- ROV video inspection of the failed cable: to determine location and reason for cable failure, and to review marine growth on the cable.
- ROV video inspection of J-tubes on the platforms that would be used for cable installation and at cable crossover points.
- Side scan sonar survey of the proposed cable routes from shore to Platform Heritage and between Platforms Hondo and Harmony.
- Two marine biology dive surveys at and near the conduit end and potential anchor locations.

Additionally, to determine how best to minimize the amount of fill in coastal waters resulting from the project, the Applicant performed a number of analyses to evaluate several alternatives for removing the failed cable. Because much of the length of the failed cable is adjacent to other active cables and pipelines, the Applicant expressed concern that removing it would create the risk of damage if the cable were accidentally dropped during removal. To address this potential, the Applicant performed several analyses to determine what could happen if the cable was dropped at various locations and water depths along the route. These analyses showed that although the likelihood for dropping the cable was low, the risk of damage to nearby structures increased as water depth increased (i.e., the further the cable dropped through the water column,

the greater force it would impart to any structures on the seafloor). Based on these analyses, the proposed project calls for immediately removing a five-mile portion of cable from shore to about 400' water depth and deferring removal of the remainder of the cable in deeper under the end of oil and gas production at SYU.

To address similar concerns, the route of the proposed replacement Cable C-1 runs within the same corridor as the existing cable to about three miles offshore and to similar water depths, but then is routed to the south, away from other existing pipelines and cables. This route was selected to minimize risk of damage to the other active pipelines and cables within the corridor area if the new cable were to be accidentally dropped during installation. It also avoids the areas near buoy anchors placed to support operations at Platforms Hondo and Harmony, and thus avoids interference or damage that might occur during activities at those anchor areas.

New Cable D-1 would be located in a corridor between Platforms Hondo and Harmony containing another power cable (Cable E, running between Platforms Harmony and Heritage), two oil emulsion pipelines running between Platforms Harmony and Heritage and between Platform Harmony and shore, and a water pipeline running between Platform Harmony and shore. This new cable will include a protective covering where it crosses pipelines or power cables to provide separation and protection.

Project Construction: Project construction would be completed in several phases:

- Phase 1: involves removing portions of the failed cable from the tunnel, conduit, and platform J-tubes, and removing the section of cable from shore to about five miles out, to a depth of about 400 feet. Before cutting the cable, divers using a water jet would jet away sediments near the conduit terminus, and material would be removed from the platform J-tubes. Cable pulling and rigging equipment would be installed onshore and on the platforms. When the cable is cut, the seaward ends would be placed back onto the seafloor, and 8-foot by 8-foot concrete mats would be placed over the cable ends to ensure they do not move. The sections of removed cable are to be disposed of an appropriate land-based disposal facility.

- Phase 2: involves installing electrical and communications equipment on the platforms to allow for the operation of the new cable and new fiber optics communication system. This work consists of relatively minor additions to equipment already on the platforms, and most would be placed in electrical cabinets or attached to other existing equipment.

- Phase 3: involves installing the new cables – Cable C-1 running between shore and Platform Heritage, and Cable D-1 running from Platform Hondo to Harmony. At the several locations where the cable will cross over existing pipelines or other cables, the project includes placing concrete mats or protective coverings to prevent damage.

- Phase 4: involves testing the cables, making final connections, and energizing the cables.

The work under all four phases is expected to take four to eight weeks, depending in part on vessel availability and weather conditions. Cable removal and installation is expected to take

two to three weeks. The Applicant has committed to remove the remainder of the failed cable at the end of production from the SYU unit. This is expected to occur sometime between 2020 and 2030, and will require additional review by the Commission at that time.

The proposed project will involve the use of four to five vessels, including a dynamic positioning (DP) cable-laying vessel, a supporting tug, a dive vessel, and one or two supply/work vessels. One or two support skiffs would also be used as necessary during the project. To remove and lay cables, the Applicant anticipates using the *Giulio Verne*, an 420-foot long DP vessel. Use of a DP vessel allows much of the work to be done without the need for anchors, which will allow impacts to the seafloor to be minimized. Anchoring will be necessary in the shallow water portion of the project.

4.2 The Coastal Commission's Permit and Federal Consistency Jurisdiction

The Coastal Commission has original coastal permit jurisdiction over project areas on public trust lands, tidelands, and submerged lands from the mean high tide line to three nautical miles offshore. The portion of the project that involves the burial of cable within State waters (*i.e.*, seaward of the mean high tide line to three nautical miles offshore) requires issuance of a permit from the Coastal Commission.

The project also requires permit approval from the United States Army Corps of Engineers (ACOE) and therefore requires a consistency certification pursuant to Section 307(c)(3)(A) of the Coastal Zone Management Act. For the portion of the project that lies in State waters or on state lands, the consistency certification is redundant; the coastal development permit serves as a consistency certification. For the portion of the project that lies outside the coastal zone in federal waters, the Applicants submitted a consistency certification to the Coastal Commission on March 6, 2003, which states that the proposed project conforms to enforceable policies of California's coastal management program and incorporates by reference the mitigation measures described in the project MND/EA that allow the the project to conform.

This staff report is a combined coastal development permit and consistency certification.

4.3 Related Approvals

County of Santa Barbara: The County of Santa Barbara has coastal development permit (CDP) jurisdiction for the onshore portions of the project site. The County served as the lead agency for compliance with requirements of the California Environmental Quality Act (CEQA). On February 19, 2003, the County conditionally approved Coastal Development Permit No. 87-DP-032 RV06.

California State Lands Commission (SLC): The State Lands Commission has jurisdiction over lands underlying state waters and requires a lease for the use of those lands. The SLC first issued a lease for the use of state lands associated with the SYU development on February 1, 1988. On February 21, 2003, the SLC certified the mitigated negative declaration (MND) for the project pursuant to the California Environmental Quality Act (CEQA), and approved an amendment to the original lease allowing installation of the new power cable and removal of the failed cable.

California State Parks: The onshore and nearshore portions of the project will require a Temporary Use Permit from the California State Parks Department.

Regional Water Quality Control Board – Central Coast Region (RWQCB): The RWQCB regulates waste discharges into receiving waters in the project area. On February 5, 2003, the Applicant submitted an application for a Section 401 water quality certification. The project will be subject to issuance of a final water quality certification from the RWQCB.

Santa Barbara County Air Pollution Control District (APCD): The APCD is the local air district responsible for implementing federal and State air quality standards in the project area. The Applicant is required to obtain an "Authority to Construct" permit from APCD for removing the 5-mile long portion of the failed cable.

U.S. Army Corps of Engineers (Corps): The Corps has regulatory authority over the proposed project under Section 10 of the Rivers and Harbors Act of 1899 (*33 U.S.C. 1344*) and Section 404 of the Clean Water Act (CWA) (*33 U.S.C. 1344*). Section 10 of the Rivers and Harbors Act regulates the diking, filling and placement of structures in navigable waterways. Section 404 of the Clean Water Act regulates disposal of dredge and fill materials into waters of the United States. The dredging of sediment for a utility line is regulated under the Rivers and Harbors Act, and the placement of cable is regulated under the Clean Water Act. The Applicant applied most recently for the necessary Corps permit on February 5, 2003. The Corps is processing the request as a Nationwide Permit #3 (Maintenance Activities) in state waters, and a Nationwide Permit #12 (Utility Line Activities) in federal OCS waters.

Pursuant to Section 307(c)(3)(A) of the Coastal Zone Management Act, any Applicant for a federal permit to conduct an activity affecting any land or water use or natural resource in the coastal zone must obtain the Coastal Commission's concurrence in a certification to the permitting agency that the project will be conducted consistent with California's approved coastal management program. As discussed above in Section 4.2 of this report, the Applicants submitted a consistency certification on March 6, 2003 stating that the proposed project conforms to the state's coastal management program.

U.S. Environmental Protection Agency (EPA): The U.S. EPA has jurisdiction over water quality concerns in the OCS. For this proposed project, the Applicant is required to obtain EPA approval for clearing the J-tubes on the offshore platforms to prepare them for installing the new power cable.

U.S. Minerals Management Service (MMS): The MMS served as the lead agency in reviewing the proposed project for compliance with requirements of the National Environmental Policy Act (NEPA) and prepared a joint Mitigated Negative Declaration/ Environmental Assessment (MND/EA) with the County of Santa Barbara. On February 19, 2003, the MMS issued a Finding of No Significant Impact and determined that the proposed project as amended was consistent with MMS regulations. The MMS also determined that the project would not require a revision to the Applicant's existing SYU Development and Production Plan (DPP), as it considered the work to be a repair and maintenance project.

4.4 Coastal Act Issues

4.4.1 Dredging and Placement of Fill in Coastal Waters

Coastal Act Section 30108.2 states:

> *"Fill" means earth or any other substance or material, including pilings placed for the purposes of erecting structures thereon, placed in a submerged area.*

Coastal Act Section 30233(a) states in part:

> *The diking, filling, or dredging of open coastal waters, wetlands, estuaries, and lakes shall be permitted in accordance with other applicable provisions of this division where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects, and shall be limited to the following:*
>
> *(1) New or expanded port, energy, and coastal-dependent industrial facilities, including commercial fishing facilities.*
>
> *(2) Maintaining existing, or restoring previously dredged depths on existing navigational channels, turning basins, vessel berthing and mooring areas, and boat launching ramps.*
>
> *(3) In wetland areas only, entrance channels for new or expanded boating facilities; and in a degraded wetland, identified by the Department of Fish and Game pursuant to subdivision (b) of Section 30411, for boating facilities if, in conjunction with such boating facilities, a substantial portion of the degraded wetland is restored and maintained as a biologically productive wetland. The size of the wetland area used for boating facilities, including berthing space, turning basins, necessary navigation channels, and any necessary support service facilities, shall not exceed 25 percent of the degraded wetland.*
>
> *(4) In open coastal waters, other than wetlands, including streams, estuaries, and lakes, new or expanded boating facilities and the placement of structural pilings for public recreational piers that provide public access and recreational opportunities.*
>
> *(5) Incidental public service purposes, including but not limited to, burying cables and pipes or inspection of piers and maintenance of existing intake and outfall lines.*
>
> *(6) Mineral extraction, including sand for restoring beaches, except in environmentally sensitive areas.*
>
> *(7) Restoration purposes.*
>
> *(8) Nature study, aquaculture, or similar resource dependent activities.*

The proposed project includes fill in the form of power cables, concrete mats, and protective covers around portions of the cables. The new cables are approximately six inches in diameter; therefore placing 17 miles of the cable from nearshore to Platform Heritage will result in about 1.03 acres of fill. The approximately five-mile length of new Cable D-1 to be suspended between Platforms Hondo and Harmony will result in an additional 0.3 acres of fill. The total amount of new fill will be offset to some degree by the initial removal of the five-mile length of Cable C, which is also approximately six inches in diameter, and which represents about 0.3 acres of fill. Therefore, the overall total increase in fill due to the cables would be 1.03 acres (1.03 acres + 0.3 acres – 0.3 acres = 1.03 acres). The two concrete mats to be placed over the cut ends of the failed cable are each about eight feet by eight feet, for a total of 128 additional square feet of fill.

Coastal Act Section 30233(a) allows the Coastal Commission to authorize a project that includes fill or dredging in open coastal water if it meets three tests. The first test requires that the proposed activity must be one of eight types of use described in Coastal Act Section 30233(a)(1)-(8). The second test requires that there be no feasible less environmentally damaging alternative. The third test mandates that feasible mitigation measures be provided to minimize the project's adverse environmental effects.

1) Allowable Use Test: Coastal Act Section 30233(a)(1) allows fill in support of coastal-dependent industrial facilities. Section 30101 of the Coastal Act defines "coastal-dependent development" as development requiring "...a site on, or adjacent to the sea to be able to function at all." The offshore oil platforms in this case are coastal-dependent, and the placement of cables and the associated protective devices to serve these platforms is likewise coastal-dependent. The Commission thus finds that the fill required for the proposed project meets the allowable use test of Coastal Act Section 30233(a).

2) No Feasible, Less Environmentally Damaging Alternatives: The second test of Section 30233(a) requires an assessment of whether there are feasible, less environmentally damaging alternatives to placing fill in coastal waters. The MND/EA evaluated several project alternatives that would have eliminated or reduced the amount of fill. Alternatives evaluated included:

   - Provide power on the platforms rather than from shore: This alternative evaluated placing diesel- or gas-powered generators on the platforms. While this alternative would have resulted in no additional fill in coastal waters, it was considered infeasible because the size of the 20 megawatt generators necessary to operate each platform exceeded the space available on the platform. Additionally, constructing these generators would have taken several years, and operating the generators would have resulted in significant increases in air pollutants from the platforms.

- Cable splicing: This alternative involved repairing the cable by splicing several hundred feet of new cable to either side of the fault location. It was considered infeasible for at least two reasons: first, the existing cable did not have internal water blocking devices to prevent water from entering and moving along inside the cable; and second, lifting and cutting the cable to add a splice and then replacing the cable on the seafloor would have subjected it to stresses that would have increased the potential for further damage.

- Near-term removal of the entire length of failed Cable C: The project as proposed will result in an increase in fill of about 1.03 acres. Near-term removal of the entire length of failed Cable C, either as part of the initial cable installation or within the next four or five years, would result in an overall total increase in fill of about 0.3 acres. However, as described above in Section 4.1, the Applicant's risk assessment showed that removing the full length of the failed cable during SYU production would increase the risk of damage to other nearby SYU facilities, which could result in additional or significant environmental impacts. Therefore, while the project as proposed results in a greater amount of coastal fill, it also results in less overall environmental risk. Removing the remaining section of Cable C during the next four to five years is not considered a less environmentally damaging alternative, since there would be no decrease in risk, but would be increased impacts due to re-staging the necessary equipment and additional air emissions. Additionally, the increased fill of the proposed project is not expected to have significant impacts, as the route for the new cable was selected in part to minimize adverse environmental effects.

- Locating the new cable within the same footprint as the existing failed cable: The project as proposed includes routing the OCS portion of the cable further south than the existing cable location, thus adding to the length and amount of fill. While locating the new cable in the same footprint as the existing cable would have eliminated this increase in fill, this alternative was considered as having the potential to cause greater environmental damage due to the increased risks of spill or damage as described above.

- No project: This alternative would not achieve the project purpose of restoring redundant electrical power to the offshore platforms.

While some of the alternatives considered would have resulted in less fill, they were determined to not be less environmentally damaging; therefore, the Commission finds that the second test of Coastal Act Section 30233(a) has been met.

3) Feasible Mitigation Measures: The third test of Section 30233 allows filling of coastal waters if feasible mitigation measures have been provided to minimize any adverse environmental effects. Other sections of this report describe mitigation measures taken to avoid or minimize adverse effects to marine biological resources, water quality, and other coastal resources, and many of these measures will also minimize any adverse environmental effects of placing fill. The proposed project as described in the MND/EA

includes measures to avoid or minimize impacts to marine biological resources and water quality that will also reduce the adverse effects of placing fill in coastal waters. Additionally, the Applicant has committed in the consistency certification to a number of conditions that will likewise reduce the impacts of fill to coastal waters.

With the inclusion of mitigation measures and conditions described elsewhere in this report, the Commission finds that the project includes feasible mitigation measures and therefore meets the third test of Coastal Act Section 30233(a).

4.4.2 Marine Resources and Water Quality

Coastal Act Section 30230 states:

> *Marine resources shall be maintained, enhanced, and where feasible, restored. Special protection shall be given to areas and species of special biological or economic significance. Uses of the marine environment shall be carried out in a manner that will sustain the biological productivity of coastal waters and that will maintain healthy populations of all species of marine organisms adequate for long-term commercial, recreational, scientific, and educational purposes.*

Coastal Act Section 30231 states:

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

The proposed project could result in several types of adverse impacts to marine biological resources, including: (1) marine mammal entanglement in exposed cable on the seafloor; (2) marine mammal collision or entanglement during installation; (3) vessel noise impacts on marine mammals; (4) disturbance to the endangered white abalone (*Haliotis soensoni*) due to nearshore project operations; and, (5) disturbance of benthic biota and eelgrass during nearshore cable installation or repair. Additionally, some of the project will take place in Essential Fish Habitat and has the potential to adversely affect fish habitat characteristics. The project will also result in turbidity-related impacts to water quality.

4.4.2.1 Marine Biological Resources

The project site provides habitat for a wide variety of species, including a number of special status species and those important to commercial and recreational fishing interests. Work on the project will occur in habitat types ranging from upland sites under the CDP jurisdiction of Santa Barbara County to nearshore and shallow water habitats off El Capitan State Beach to deep water habitats up to 1350 feet deep and several miles offshore in OCS waters.

Endangered, Threatened, and Sensitive Marine Species:

Marine mammals: Numerous studies have identified at least thirty-four species of marine mammals that live in or migrate through California waters. The project area serves as habitat for a variety of these marine mammals. The most common include several whale species – the California gray whale (*Eschrichtius robustus*), the blue whale (*Balaenoptera musculus*), humpback whale (*Megaptera novaeangliae*), sperm whale (*Physeter macroephalus*), and Minke whales (*Balaenoptera acutorostrata*); toothed whales – common dolphins (*Delphinus capensis* and *D. delphis*), Dall's porpoise (*Phocoenoides dalli*), and others; two pinneped species – California sea lions (*Zalophus californianus*) and harbor seals (*Phoca vitulina*); and Southern sea otters (*Enhydra lutris nereis*). All marine mammals are protected by the federal Marine Mammal Protection Act (MMPA), which prohibits the intentional taking[1] of any marine mammal without a permit. Additionally, several of the marine mammal species found in the project area are protected by the federal Endangered Species Act (ESA), including the humpback whale, blue whale, sperm whale, which are listed as endangered.

Potential project-related impacts to marine mammals include disturbance due to construction-related noise, entanglement or collision with vessels during cable laying or removal, and entanglement from suspended sections of cable after cable-laying is completed.

- Noise: Noise-related impacts would be due to activities of the four or five vessels involved in the project over a four-to eight week period. The change from existing conditions is expected to be minor, as there are currently regular and ongoing vessel activities in the project area, including supply and crew vessels that operate several times a day. Marine mammals that live in the area are believed to be relatively tolerant of vessels, although both individuals native to the areas as well as individuals migrating through the area are likely to alter their course or change their swimming speed in response to noise or proximity of vessels.

- Cable-laying and removal: The cable-laying and removal activities increase the potential for marine mammals to either collide with a project-related vessel or interact with the cables being placed or removed.

- Post-construction entanglement: Whales that feed or move on or near the seafloor could be entangled in sections of cable suspended above the seafloor.

[1] The definition of "take" under the Act includes intentional or unintentional harassment, any act that could cause injury or death, and any action that changes the behavior of the animal.

Because marine mammals are protected under the MMPA and some are protected under the ESA, any adverse effect or "take" may be considered significant. The Applicant incorporated several mitigation measures into the project to further reduce the low potential for adverse impacts to marine mammals, including:

- Scheduling the project to occur outside of the gray whale migration season (December to June each year).
- Using vessels that are relatively slow-moving and represent little increased risk of collision with marine mammals.
- Routing the cables through soft bottom habitat and avoiding areas of hard bottom habitat to avoid creating areas where the cables could be suspended above the seafloor due to abrupt elevation changes.
- Implementing a marine mammal protection plan to be approved by several agencies. The plan will include a number of mitigation measures, including having at least two NMFS-approved monitors available during cable laying activities, establishing marine mammal protection zones near the work areas, requiring regular reports of marine mammal sightings and any project-related incidents, training project personnel on techniques to avoid harming or harassing marine mammals, and others.

To further ensure marine mammals are protected in conformity to Coastal Act policies, **Special Condition 5** requires the Applicant to submit prior to construction a marine mammal protection plan for the Executive Director's review and approval.

White abalone (*Haliotis sorenseni*): During a pre-construction biological survey in August 2001, the Applicant found what was believed to be a white abalone on armor rock about 50 feet from the end of the nearshore cable conduit at about 20 feet of water depth. The white abalone is a federally-listed endangered species with a historic range from approximately Point Conception on the north to Baja California in the south

The white abalone is generally found in much deeper waters (80 to 200'); however, this individual was found in about 20 feet of water about 50 feet from where excavation work is proposed to allow cable removal and placement through the conduit terminus. The excavation work would result in turbidity, which would be short-term but could adversely affect the abalone. Additionally, cable removal and placement, along with vessel anchoring in the vicinity, could result in abalone being crushed or being disturbed by any increased turbidity.

In April 2002, the Applicant performed an expanded survey to determine if there were other abalone in the area that could be adversely affected by the proposed work. The survey covered an area about 825' by 800' centered on the conduit terminus. The survey found 21 additional abalone in the area, one of which was thought to be a white abalone about 600 feet from the excavation area. The survey also found the shell of the white abalone identified in the August 2001 survey. The surveyors also observed a sea otter near the site and was believed the sea otter had eaten the abalone during the period between the two surveys.

To ensure the project does not adversely affect white abalone, the Applicant will conduct a pre-installation survey within 14 days of any work to be done in the area of the conduit terminus. If any white abalone are found within 75 feet of the conduit terminus, work will not begin until CDFG or NMFS relocates the individuals or collects them pursuant to a Scientific Enhancement Permit. To further avoid impacts to abalone, the Applicant will position all vessel anchors during project construction at least 40 feet from rock habitat, and anchors will be lowered and retrieved vertically to avoid dragging them across rocky habitat areas.

To ensure the measures intended to protect abalone conform to Coastal Act policies, **Special Condition 6** further requires the Applicant to submit results of the pre-construction survey for the presence of abalone to the Executive Director, and further requires that the Applicant provide evidence of CDFG or NMFS approval to continue work should the survey determine that abalone are present.

Additionally, the NMFS reviewed the proposed project for potential impacts to marine mammals and the white abalone, and made recommendations that the Applicant has incorporated into the project description. Many of the mitigation measures and conditions described elsewhere in this report will result in further avoidance and minimization of potential adverse effects on essential fish habitat.

Hard Bottom Habitat: The project will disturb areas of the seafloor and has the potential to disturb sensitive hard bottom habitat areas as well as eelgrass habitat. The project area includes both soft and hard bottom substrates. Hard bottom habitat is considered higher value habitat for several reasons: (1) it is not as common as soft bottom habitat; (2) it supports a diverse assemblage of epifaunal (organisms that live on the substrate) invertebrates; and (3) it serves as a nursery, food source, and shelter for numerous species of fish. It is also more sensitive to disturbance than soft bottom areas, and does not recover as quickly from mechanical disturbance or increased sediment loads. Soft bottom habitat also supports a wide variety of epifaunal and infaunal (organisms that live in the substrate) species; however, these species are generally more tolerant of environmental changes and recover quickly in areas of disturbed soft bottom habitat. Even so, many infaunal species have limited mobility and individuals are not likely to evade disturbance to the area.

Past surveys of the area have shown that the existing cables, which are located almost entirely on soft bottom habitat, have had minimal effect on benthic habitats in the SYU project area. A 1992 report on post-construction conditions (Post-Construction Marine Biological Survey and Comparison of Pre- and Post-Construction Survey Data – Santa Ynez Unit. Offshore Pipelines and Power Cables Installation, July 24, 1992) stated that there were some differences between pre- and post-construction habitat boundaries in shallow waters (less than thirty-five feet deep), but that these were likely caused by natural seasonal changes in the area, and not caused by placement of pipelines or power cables.

The project has been designed to avoid and minimize impacts to hard bottom substrates. As part of project design, the Applicant surveyed the existing and proposed cable routes to identify areas of soft and hard bottom. The route selected avoids most hard bottom areas by at least 50 feet, but will cross one area of hard bottom habitat that is unavoidable. This area is a linear rock feature about 1600 feet long that lays perpendicular to the cable route just over four miles from shore at about 275 feet water depth. At the point of the cable crossing, the rock is about 25 feet wide, so the total contact area of the 6-inch diameter cable would be about 12.5 square feet. The failed power cable also crosses this rock feature, and an ROV survey done in 2002 showed that the rock in the area of the failed cable did not appear to be crushed or scoured and the failed cable had apparently not moved since it was originally placed. This area of the failed cable is part of the section proposed to be removed as part of the current work. Based on the small amount of surface area that would be affected, the effects to marine biology of placing the new cable across this rock feature are expected to be minimal.

The project includes a number of additional mitigation measures to avoid or minimize impacts to hard bottom habitat, including:

- Pre-and post-construction marine biological surveys to identify impacts that may be caused by cable removal and installation or by vessel anchoring.
- Use of a dynamic-positioning vessel to minimize the need for anchoring.
- Surveys to identify areas of hard bottom habitat to avoid during anchoring, and the use of anchoring techniques, such as lowering and raising anchors vertically, that limit impacts to the seafloor.
- Use of ROVs to monitor cable installation activities so that the route may be altered to avoid hard bottom habitat areas if necessary.

To further ensure the project conforms to Coastal Act policies, **Special Condition 7** requires the Applicant to submit for Executive Director review and approval an anchoring plan showing that hard bottom substrate areas are avoided.

Eelgrass: The nearshore area near the conduit entrance includes eelgrass (*Zostera marina*), which is considered important habitat for a number of marine organisms. The project could adversely affect eelgrass due to turbidity impacts or due to vessel anchoring. The proposed anchoring plan for work in this area is intended to avoid impacts to both hard bottom habitat and eelgrass habitat, but shows that roughly 12 to 24 eelgrass plants could be crushed or otherwise adversely affected by anchor placement. If impacts to eelgrass occur, the Applicant will adhere to mitigation measures prescribed in the Southern California Eelgrass Mitigation Policy (see Appendix B), which will result in restoration as appropriate. This policy establishes survey protocols, mitigation ratios, planting techniques, monitoring requirements, and other measures for acceptable eelgrass mitigation work. The Applicant will also conduct pre- and post-project surveys to determine the actual impacts.

To ensure eelgrass is protected in conformity to Coastal Act policies, **Special Condition 8** requires the Applicant to submit pre- and post-construction surveys to the Executive Director to determine whether eelgrass is damaged during the project. The surveys are to be done using the protocols established in the Southern California Eelgrass Mitigation Policy (see Appendix B). This Policy includes specific protocols for surveys, mitigation sites, ratios, techniques, monitoring, and success. If eelgrass impacts cover less than 10 square meters (which is the lowest threshold in the Policy), **Special Condition 8** further requires the Applicant to use those protocols to develop a mitigation plan subject to Executive Director review and approval. If the project's impacts to eelgrass cover greater than 10 square meters, **Special Condition 8** requires the Applicant to submit an application for permit amendment to determine what mitigation is necessary.

Invasive Species – *Caulerpa taxifolia*: *Caulerpa taxifolia*, an invasive plant species, has been found in at least two locations along the California coast, and has the potential to live and thrive in many more coastal locations. *Caulerpa* is a fast growing plant that creates a dense vegetative mat that can smother or crowd out native fish, invertebrate, and vegetative species used by other species as food or habitat. Its habitat requirements are not yet fully known, but it has the potential to become established in shallow waters along much of California's coast.

To address the threat posed by *Caulerpa*, the Southern California *Caulerpa* Task Force was established to provide quick and effective responses to prevent or control *Caulerpa* in coastal waters. The Task Force includes representatives from state, federal, local, and private entities. The Task Force developed protocols (see Appendix C) to be used when work in coastal waters could result in discovery, introduction, or dispersal of *Caulerpa*. **Special Condition 9** requires the Applicant to conform to those protocols, including conducting a pre-construction survey in the nearshore waters of the project site, and notifying the Task Force if *Caulerpa* is found.

Essential Fish Habitat: Most of the project is within areas considered Essential Fish Habitat pursuant to the federal Magnuson Fishery Conservation and Management Act and the Sustainable Fisheries Act. Nearshore portions of the project serve as habitat for at least 17 fish species managed by the Pacific Fishery Management Council, and the offshore areas of the project include habitat for several dozen additional fish species.

NMFS reviewed the proposed project for potential impacts to Essential Fish Habitat, and made recommendations that the Applicant has incorporated into the project description. Additionally, many of the mitigation measures and conditions described elsewhere in this report will result in avoidance and minimization of potential adverse effects on essential fish habitat.

4.4.2.2 Marine Water Quality Impacts

The proposed project's principal impact on marine water quality will be increased turbidity during several phases of the project, including cable removal and laying, vessel anchoring, jetting sediments away from the conduit terminus, and flushing and pigging J-tubes on the platforms. Additionally, any marine organisms living on the substrate provided by the hard surface of the cable will be lost when portions of the cable are removed.

Cable removal and installation: Based on ROV video surveys, it appears that about half of the 17-mile length of the failed cable is buried and half is exposed at the seafloor surface. The cable was not originally buried, and the portions that are now buried were covered due to natural sedimentation over the past approximately twenty years. The first two miles of cable closest to shore are completely buried to a depth of several inches, and the next three miles are somewhat embedded in the seafloor. Removal of the five-mile nearshore portion of the failed cable will result in turbidity impacts in the area of the conduit terminus and along the entire length of the removed section.

The project will require jetting away several dozen cubic yards of sediment in the area of the conduit terminus to allow removal and installation of the cables through the conduit and tunnel. To minimize turbidity from this operation, sediment will be directed through a hose to a nearby low area away from armor rock, hard bottom habitat or other similar features. Over the five-mile length of cable to be removed, it is expected that a total of 120 cubic yards of sediment will be disturbed, although the turbidity effects are likely to be relatively minor and short-term. Additionally, as the failed cable is pulled aboard the vessel, a water jet will be directed at it to remove adhering sediment and marine organisms to allow the cable to be rolled onto a reel for disposal. This will result in short-term and minor turbidity at the water surface, which will likely disperse quickly due to currents and wave action.

During cable-laying operations, there will again be relatively minor and short-term impacts as the cable is positioned on the seafloor. Impacts are likely to vary somewhat by water depth and distance from shore. The nearshore areas of the cable route are generally sandy and the deeper areas contain more silt, so turbidity will be greater in the deeper water; however, all turbidity-related impacts are expected to be minor and short-term.

Anchoring: Anchoring the project-related vessels will result in minor turbidity increases. To minimize impacts related to anchoring, the Applicant will implement a number of measures, including using a DP vessel, which requires anchoring only in the nearshore shallow-water areas. Other measures include both the DP vessel and other project vessels to adhere to provisions of an anchoring plan, including measures that minimize turbidity during lowering and raising anchors. To further ensure the anchoring plan conforms to Coastal Act policies, **Special Condition 7** requires the Applicant before starting construction to submit an anchoring plan for Executive Director review and approval.

Clearing the conduit terminus: There will be some localized turbidity impacts due to jetting sediments away from the conduit terminus located about 800 feet offshore to allow access for cable removal and installation. This will involve using water jets to expose the end of the conduit, which is buried to a depth of several feet. The amount of sediment to be removed is expected to be from 30 to 60 cubic yards. The sediment in this area is primarily sand-sized particles and are expected to settle out of the water column quickly. The sediment will be directed to a shallow hummock near the conduit terminus, which will further minimize its drift.

Flushing and pigging J-tubes: The internal surfaces of the J-tubes have built up a layer of sediment, marine organisms, and some rust that will be removed before the cables are pulled through. The total amount is expected to be about 1 cubic yard of material and will be dispersed quickly in the water column.

Conclusion:

Based on the reasons above, the Commission finds that, as conditioned, the proposed project will be carried out in a manner that maintains marine resources and sustains the biological productivity and quality of coastal waters and is therefore consistent with Coastal Act Sections 30230 and 30231.

4.4.3 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.*

Section 30232 requires an applicant to undertake measures to prevent an oil spill from occurring, and requires effective containment and cleanup measures should a spill occur. There are two primary ways the proposed project could result in an oil spill – from vessels used during project construction or from damage to pipelines near the project work areas.

Vessels: The project will involve the use of four to six vessels and skiffs, any of which have the potential to spill oil or fuel. Use of vessels for the project also results in the potential for collision, either among the work vessels or with nearby fishing, recreational, or other vessels in the project area. However, the likelihood of a spill occurring is very low.

Even so, the proposed project includes a number of measures meant to further reduce the risk of spills from vessels, including:

- The SYU facilities are required to maintain an Oil Spill Response Plan as part of their ongoing operations, pursuant to several local, state, and federal regulations. This plan includes measures to prevent spills as well as specific requirements for equipment, training, and procedures to be followed in the event of a spill. This proposed project will be subject to provisions of this plan, which was most recently approved by the MMS in the fall of 2002.

- The Applicant and Clean Seas are the primary responders to spills at SYU, and both entities maintain response equipment as required by the spill response plan.

- The Applicant will prepare a refueling plan to minimize the potential for fuel spills at sea.

- Prior to construction, the Applicant will conduct a boom deployment drill for contractors responsible for deployment.

- The vessels used for project work will also be required to maintain appropriate spill response capabilities, pursuant to state and federal regulations, and will have coordinated communication capability to help prevent collisions.

- The Applicant will provide information about the vessel locations and work schedules to the U.S. Coast Guard for inclusion in a Notice to Mariners so other vessels operating in the area will be able to avoid the project area during construction.

Additionally, under the Submarine Cable Act (47 USC 21), fishing vessels and other ships must keep their equipment or vessels at the distance of one nautical mile from a vessel engaged in laying or repairing cable or at least a quarter nautical mile from buoys intended to mark the position of a cable when being laid.

To ensure the project conforms to Coastal Act policies, **Special Condition 10** requires the Applicant to provide evidence to the Executive Director that the spill response plan and the refueling plan have been approved by the Office of Spill Prevention and Response and by the State Lands Commission before starting work.

Pipelines: Project work will also occur near pipelines – the failed Cable C is located adjacent to several active pipelines (emulsion, water, and gas) and crosses over a POPCO gas pipeline about a quarter-mile offshore. New Cable D-1 is routed between Platforms Hondo and Harmony in a corridor containing two oil emulsion pipelines and a water pipeline. These pipelines could be damaged if a cable or anchor is dropped on them during project operations.

The Applicant has included a number of measures to avoid or minimize possible damage to pipelines in the project area. In addition to the measures meant to prevent spills from vessels, many of which will also reduce the risk of pipeline damage, the Applicant has included the following, many of which are the same or similar to those cited above regarding vessels:

- The SYU facilities are required to maintain an Oil Spill Response Plan as part of their ongoing operations, pursuant to several local, state, and federal regulations. This plan includes measures to prevent spills as well as specific requirements for equipment, training, and procedures to be followed in the event of a spill. This proposed project will be subject to provisions of this plan, which was most recently approved by the MMS in the fall of 2002.

- The Applicant and Clean Seas are the primary responders to spills at SYU, and both entities maintain response equipment as required by the spill response plan.

- The Applicant will prepare an anchoring plan that includes detailed maps of anchoring sites and pipeline locations, along with navigation equipment that will be used to set and remove anchors to reduce the risk of pipeline damage. Additionally, the Applicant will be using a dynamic-positioning vessel for the cable removal and placement, which will require anchoring only in the nearshore area.

- Materials related to cable removal and placement will be loaded at port and crane lifts will not be made over pipelines and cables at sea.

- The Applicant performed several engineering analyses and risk assessments to determine the potential for damage due to a cable being dropped during removal or installation. The analyses determined that the risk of both occurrence and damage was quite low, but that the risk increased with increased water depth (i.e., greater than 400 feet). The proposed project includes deferred removal of the failed cable in depths greater than 400 feet, in part due to the increased risk of removal near active pipelines, and also includes routing the new cable in deeper waters at a safe distance from the pipelines. Additionally, the Applicant will prepare a Cable Release Prevention Plan that will detail the engineering and safety measures to be taken to prevent accidental release.

- Where the cables will cross pipelines or other cables, protective concrete "mattresses" and protective polymer sheaths around the cable will be used to provide additional stabilization and support.

- The Applicant will shut-in the pipelines and de-energize the cables during work in the tunnel and conduit, unless it can be clearly demonstrated that the cable pulling operations can be performed safely during this work.

To ensure the project conforms to Coastal Act policies, **Special Condition 7** requires the Applicant submit the anchoring plan for the Executive Director's review and approval, **Special Condition 10** requires the Applicant to submit evidence that the project's spill plan has been approved by the Office of Spill Prevention and Response, and **Special Condition 11** requires Executive Director approval for any proposal by the Applicant to continue pipeline and cable operations during cable removal and placement in the conduit and tunnel.

Conclusion:

Based on the mitigation measures and conditions included in the project, the Commission finds the project will protect against spillage of oil and other hazardous substances and will be consistent with the requirements of Coastal Act Section 30232.

4.4.4 Commercial and Recreational Fishing

Coastal Act Section 30234.5 states:

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

The SYU project area supports a wide variety of fish and shellfish important to commercial and recreational fishing interests. The project area is within two California Department of Fish & Game (CDFG) Fish Blocks, which are areas of approximately 82 square miles designated by CDFG for keeping records on fishing activities and catch amounts. The project area supports four types of commercial fishing – purse seining, trawling, drift gillnetting, and trap fishing – as well as various forms of recreational fishing. The proposed project could affect commercial or recreational fishing in the area by temporarily limiting access to waters in the project area. Additionally, fishing gear could become snagged on the cables in the project area, resulting in economic losses or safety concerns. Temporary economic impacts to trawlers and recreational fishers may result during installation of the cables. Pursuant to the federal Submarine Cable Act (47 U.S.C. 21 para. 24) all vessels are required to maintain a distance of at least one nautical mile from a cable vessel conducting repairs and one-quarter mile from the buoy of a vessel intended to mark the position of a cable when being laid or out of order.

Commercial fishing in the project area, however, is already directed in part by the Joint Oil/Fisheries Liason Office (JO/FLO), which was established to minimize interactions between oil industry operations and commercial fishing activities. JO/FLO establishes vessel traffic corridors to reduce conflicts between vessels in the project area. Additionally, the pipeline and cable areas through which the new cables will extend include other nearby oil and gas infrastructure (i.e. platforms, pipelines, and cables), many of which are on or above the seafloor, and are noted on nautical charts and known to area fishing interests.

JO/FLO also maintains records identifying fishing gear lost in the project area, the causes of those losses, if known, and claims arising from those losses against oil and gas-related project owners. The Applicant reviewed JO/FLO records to determine the effects of the existing cables and pipelines on fishing gear and found there were no incidents of claims in the vicinity of the proposed or existing routes. Of the types of fishing that occur in the project area, only trawling is likely to have the potential over the long-term to snag the cables. Because of the weight of the cables (approximately 18 pounds per foot) and their smooth and low profile on the seafloor, the likelihood of snagging is low. Additionally, the cable routes were selected in part to avoid hard bottom substrate where portions of the cables could be suspended across topographic features. If the cables were to cause damage to fishing gear or vessels, a claim could be filed through the process established by JO/FLO.

Another measure that could be taken to further reduce the potential for snagging is to bury the cables. However, for this proposed project, burying the cables would likely not result in reduced impacts to the fisheries, given the history of no lost fishing gear in the area, and given the cable routes being almost entirely over soft bottom substrates where the cables are likely to be partially embedded due to natural sedimentation processes.

Although the above characteristics are likely to result in avoidance or minimization of most fishery impacts, the proposed project includes a number of measures to further mitigate for possible impacts, including conformity to JO/FLO procedures regarding vessel corridors and notification, filing of a Notice to Mariners with the U.S. Coast Guard describing the project location and timing, recovery of items lost overboard when feasible, and others.

In addition, project-related measures and conditions to protect marine biological resources, water quality, and other coastal resources as described elsewhere in this report will also act to avoid and minimize impacts on commercial and recreational fishing.

Conclusion:

With the mitigation measures described above, the Commission finds that the project is protective of commercial and recreational fishing and is therefore consistent with Coastal Act Section 30234.5.

4.4.5 Public Access and Recreation

Coastal Act Section 30211 states that:

> *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.*

The project may affect public access and recreation due to the presence of work vessels in areas used by the public in coastal waters and near a state beach. This area includes part of El Capitan State Beach. Recreational activities in the are include beach use, boating, and fishing,

The proposed project as described in the MND/EA includes measures to avoid or minimize impacts to public access and recreation. These include limiting the work period for nearshore work, where access and recreation are most prevalent, to approximately one week, so any disruption is expected to be short-term and minimal. The Applicant's Notice to Mariners (described in Section 4.4.4 above) will also serve as notice to recreational fishing vessels and boaters in the project area. The exclusion areas described in that notice will be relatively short-term (estimated four to eight weeks) and will move during that time so that boaters will not be excluded from a given area for longer than a week or two.

Conclusion:

With the project's mitigation measures, the Commission finds that the proposed project will not significantly interfere with public access and recreation and is therefore consistent with Coastal Act Sections 30211 and 30220.

4.4.6 Cultural Resources

Coastal Act Section 30244 states:

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

Historical and cultural resources are defined as those areas of the land and marine environment that possess historical, cultural, archaeological or paleontological significance, including sites, structures, or objects significantly associated with, or representative of earlier people, cultures and human activities and events. Nearshore excavation and offshore cable-laying and anchoring activities have the potential to disturb prehistoric sites that may have been established prior to the most recent sea level rise or more recent cultural sites, such as shipwrecks. The original cultural resources survey for the SYU project in the 1980s identified four possible cultural resource sites offshore, with three in OCS waters and one in State waters. The two closest to proposed project work areas are outside the cable-laying corridor but may potentially be affected by work vessels anchoring in the area. Because the Applicant has selected a dynamic positioning vessel to do the cable-laying and removal work, anchoring would only take place in an emergency situation. Support vessels requiring anchoring are expected to be located outside the area where the cultural resources might be adversely affected. ROV surveys along the cable route identified no features believed to be shipwrecks or cultural sites.

The Applicant has proposed several mitigation measures to avoid or reduce the potential for adverse impacts to offshore cultural resources, including:

- Providing vessel operators the coordinates of known offshore sites and requiring contractors to avoid activities within 300 feet of these sites. If work within these buffer areas is necessary, it would only take place after an additional geophysical or ROV survey, and would require MMS and State Lands Commission approval.
- Including a review of avoidance procedures in pre-construction environmental compliance meetings with contractors.
- Using an ROV during cable installation to identify any potential cultural resource sites. If a potential site is discovered, the contractor is to stop cable-laying operations and notify the MMS for further direction, which could include requiring additional survey information, changing the cable route to avoid the site, or other measures.

To further ensure the project conforms to Coastal Act policies, **Special Condition 12** requires the Applicant to submit to the Executive Director for review and approval any proposal to work within the buffer areas established around known sites or in areas that may affect sites discovered during project surveys.

Conclusion:

With the project's mitigation measures and conditions, the Commission finds that the project will not adversely impact archaeological or paleontological resources and is therefore consistent with Coastal Act Section 30244.

4.4.7 Air Quality

Coastal Act Section 30253(3) states:

> *New development shall:*
>
> *(3) Be consistent with the requirements imposed by an air pollution control district or the State Air Resources Control Board as to each particular development.*

The proposed project is located within the South Central Coast Air Basin and its air emissions are regulated by the Santa Barbara Air Pollution Control District (the APCD). Emissions related to project activities have a potential to increase onshore concentrations of pollutants. The primary pollutants of concern related to this project are oxides of nitrogen (NOx), which are precursors to ozone and for which Santa Barbara County is in nonattainment.

The APCD determined that the cable laying portion of the proposed project is a construction activity that would result in emissions under 25 tons for any regulated pollutant, and is therefore exempt from permit requirements. It also determined that the cable removal portion of the project is a demolition activity that will require a permit. Before issuing the permit, the APCD will ensure that demolition-related emissions will either be under the threshold of significance or will be adequately mitigated to be less than significant. In addition, the County's approval is conditioned upon the Applicant providing an Emissions Reporting Plan, tracking fuel use and emissions from project-related equipment, and providing other measures that will be used by the APCD in determining compliance with applicable air quality rules and regulations.

Conclusion:

The Commission finds that with these measures in place, the project will be implemented in a manner consistent with the requirements of the APCD and is therefore consistent with Coastal Act Section 30253(3).

5.0 CALIFORNIA ENVIRONMENTAL QUALITY ACT

As lead agency under the California Environmental Quality Act (CEQA), Santa Barbara County on February 19, 2003 certified a mitigated negative declaration (MND) for the proposed project. The MND was done jointly with the Environmental Assessment (EA) performed by the MMS, the lead agency for purposes of National Environmental Policy Act (NEPA) compliance.

The Commission's permit process has also been designated by the State Resources Agency as the functional equivalent of the CEQA environmental impact review process. Pursuant to section 21080.5(d)(2)(A) of the CEQA and section 15252(b)(1) of Title 14, California Code of Regulations (CCR), 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." The Commission finds that only as conditioned are there no feasible less environmentally damaging alternatives or additional feasible mitigation measures that would substantially lessen any significant adverse impact which the activity may have upon the environment, other than those identified herein. Therefore, the Commission finds that the project as fully conditioned is consistent with the provisions of the CEQA.

OPSR PROJECT DESCRIPTION - Proposed SYU Offshore Facilities

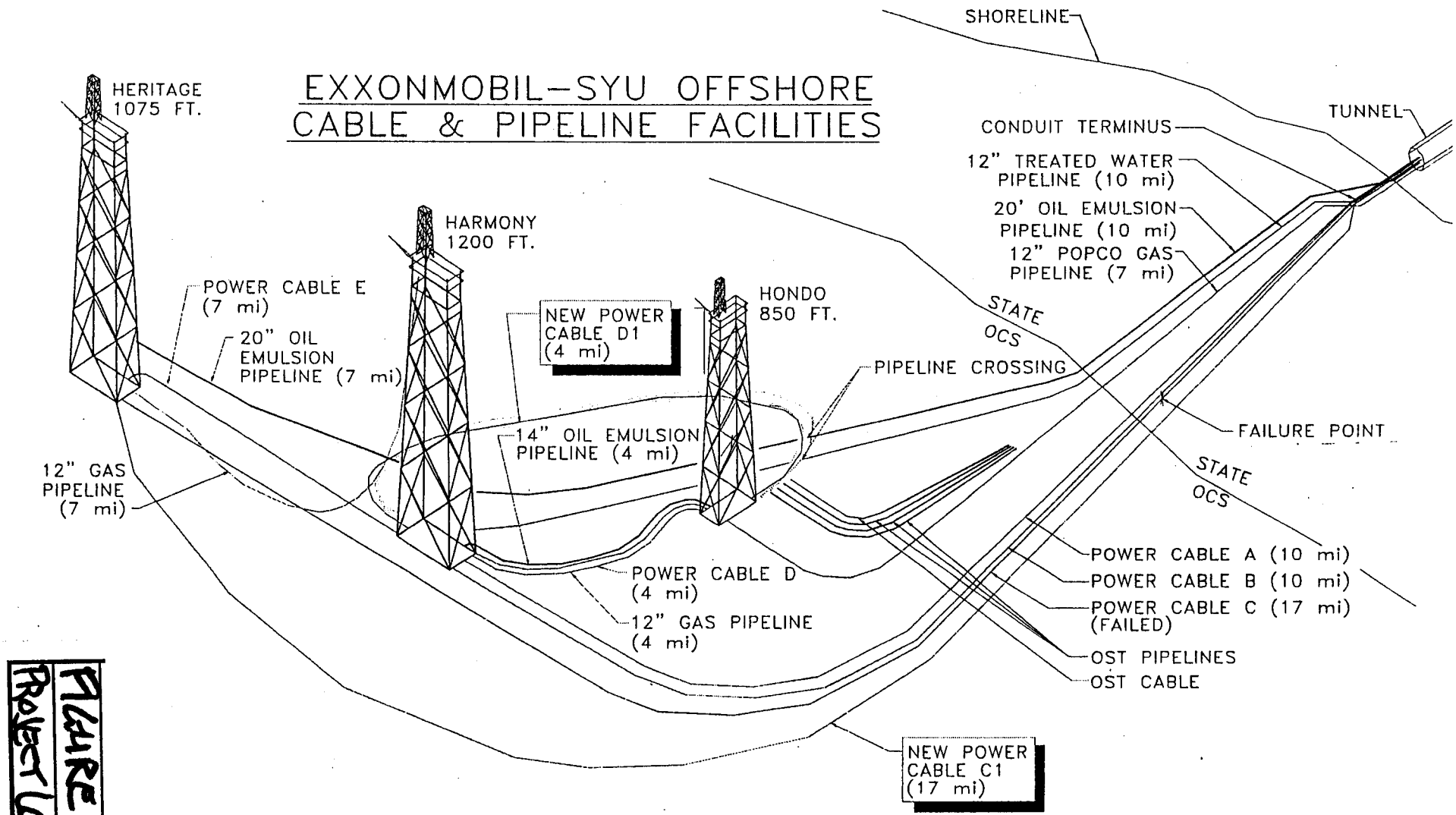

FIGURE 1: PROJECT LAYOUT

APPENDIX A: SUBSTANTIVE FILE DOCUMENTS

Coastal Development Permit Application and Coastal Zone Management Program Materials

- ExxonMobil's Application for Coastal Development Permit E-01-032, received November 19, 2001, and Federal Consistency Certification, received March 21, 2003.

Agency Permits, Orders, and Approvals

- Santa Barbara County Coastal Development Permit #87-DP-32-RV06, issued February 19, 2003.
- Amendment of Lease #PRC 7163.1, issued by the State Lands Commission, February 21, 2003.
- National Marine Fisheries Service Essential Fish Habitat consultation, January 7, 2003, and Endangered Species Act consultation, January 28, 2003.
- Finding of No Significant Impact, by Minerals Management Service, February 19, 2003.

Environmental and Engineering Documents and Reports

- Final Mitigated Negative Declaration/Environmental Assessment, prepared by the County of Santa Barbara Planning and Development Department Energy Division and the U.S. Department of Interior Minerals Management Service, February 2003.
- Post-Construction Marine Biological Survey and Comparison of Pre- and Post-Construction Survey Data – Santa Ynez Unit. Offshore Pipelines and Power Cables Installation, Exxon Corporation, July 24, 1992.
- Shallow Water Geophysical Survey: Bathymetry and Seafloor Features and Proposed Anchor Locations, by Fugro West, Inc., February 2003.
- ExxonMobil Santa Ynez Unit Offshore Power System Repair: Amended Project OPSR:A – Cable Retrieval Risk Assessment (Analysis of Risk of Damage to Existing Components from a Dropped Cable During Retrieval), prepared by PMBCI, September 2002.
- Expanded Marine Biological Survey, Tier 1 Area: Santa Ynez Power System Repair Project, prepared by L.A. de Wit, April 2002.
- ExxonMobil Santa Ynez Unit Offshore Power System Repair Project, Pre-Lay Cable Route Survey: Platform Heritage to shore including alternate route and Platform Harmony to Platform Hondo. Offshore Santa Barbara, California. Final Report, by Fugro West, Inc, 2002 (includes side-scan sonar, sub-bottom profiler, magnetometer, and bathymetric recordings).
- Pre-Installation Marine Biological Survey and Preliminary Impact Assessment: Santa Ynez Unit Power Cable C Replacement, prepared by L.A. de Wit, September 2001.
- Final Report for the ExxonMobil Cable C Marine Growth Review, prepared by Ecomar, Inc., September 2000.

APPENDIX A: FILE DOCUMENTS

APPENDIX A

SOUTHWEST REGIONAL OFFICE
National Marine Fisheries Service

SOUTHERN CALIFORNIA EELGRASS MITIGATION POLICY

(Adopted July 31, 1991)

(From: http://swr.nmfs.noaa.gov/hcd/eelpol.htm)

Eelgrass (Zostera marina) vegetated areas function as important habitat for a variety of fish and other wildlife. In order to standardize and maintain a consistent policy regarding mitigating adverse impacts to eelgrass resources, the following policy has been developed by the Federal and State resource agencies (National Marine Fisheries Service, U.S. Fish and Wildlife Service, and the California Department of Fish and Game). This policy should be cited as the Southern California Eelgrass Mitigation Policy (revision 8).

For clarity, the following definitions apply. "Project" refers to work performed on-site to accomplish the applicant's purpose. "Mitigation" refers to work performed to compensate for any adverse impacts caused by the "project". "Resource agencies" refers to National Marine Fisheries Service, U.S. Fish and Wildlife Service, and the California Department of Fish and Game.

1. **Mitigation Need.** Eelgrass transplants shall be considered only after the normal provisions and policies regarding avoidance and minimization, as addressed in the Section 404 Mitigation Memorandum of Agreement between the Corps of Engineers and Environmental Protection Agency, have been pursued to the fullest extent possible prior to the development of any mitigation program.

2. **Mitigation Map.** The project applicant shall map thoroughly the area, distribution, density and relationship to depth contours of any eelgrass beds likely to be impacted by project construction. This includes areas immediately adjacent to the project site which have the potential to be indirectly or inadvertently impacted as well as areas having the proper depth and substrate requirements for eelgrass but which currently lack vegetation.

Protocol for mapping shall consist of the following format:

1) Coordinates

Horizontal datum - Universal Transverse Mercator (UTM), NAD 83, Zone 11

Vertical datum - Mean Lower Low Water (MLLW), depth in feet.

2) Units

Transects and grids in meters.

Area measurements in square meters/hectares.

APPENDIX B: EELGRASS

All mapping efforts must be completed during the active growth phase for the vegetation (typically March through October) and shall be valid for a period of 120 days with the exception of surveys completed in August - October.

A survey completed in August - October shall be valid until the resumption of active growth (i.e., March 1). After project construction, a post-project survey shall be completed within 30 days. The actual area of impact shall be determined from this survey.

3. **Mitigation Site.** The location of eelgrass transplant mitigation shall be in areas similar to those where the initial impact occurs. Factors such as, distance from project, depth, sediment type, distance from ocean connection, water quality, and currents are among those that should be considered in evaluating potential sites.

4. **Mitigation Size.** In the case of transplant mitigation activities that occur concurrent to the project that results in damage to the existing eelgrass resource, a ratio of 1.2 to 1 shall apply. That is, for each square meter adversely impacted, 1.2 square meters of new suitable habitat, vegetated with eelgrass, must be created. The rationale for this ratio is based on, 1) the time (i.e., generally three years) necessary for a mitigation site to reach full fishery utilization and 2) the need to offset any productivity losses during this recovery period within five years. An exception to the 1.2 to 1 requirement shall be allowed when the impact is temporary and the total area of impact is less than 100 square meters. Mitigation on a one-for-one basis shall be acceptable for projects that meet these requirements (see section 11 for projects impacting less than 10 square meters).

Transplant mitigation completed three years in advance of the impact (i.e., mitigation banks) will not incur the additional 20% requirement and, therefore, can be constructed on a one-for-one basis. However, all other annual monitoring requirements (see sections 8-9) remain the same irrespective of when the transplant is completed.

Project applicants should consider increasing the size of the required mitigation area by 20-30% to provide greater assurance that the success criteria, as specified in Section 9, will be met. In addition, alternative contingent mitigation must be specified, and included in any required permits, to address situation where performance standards (see section 9) are not met.

5. **Mitigation Technique.** Techniques for the construction and planting of the eelgrass mitigation site shall be consistent with the best available technology at the time of the project. Donor material shall be taken from the area of direct impact whenever possible, but also should include a minimum of two additional distinct sites to better ensure genetic diversity of the donor plants. No more than 10% of an existing bed shall be harvested for transplanting purposes. Plants harvested shall be taken in a manner to thin an existing bed without leaving any noticeable bare areas. Written permission to harvest donor plants must be obtained from the California Department of Fish and Game.

Plantings should consist of bare-root bundles consisting of 8-12 individual turions. Specific spacing of transplant units shall be at the discretion of the project applicant.

However, it is understood that whatever techniques are employed, they must comply with the stated requirements and criteria.

6. **Mitigation Timing.** For off-site mitigation, transplanting should be started prior to or concurrent with the initiation of in-water construction resulting in the impact to the eelgrass bed. Any off-site mitigation project which fails to initiate transplanting work within 135 days following the initiation of the in-water construction resulting in impact to the eelgrass bed will be subject to additional mitigation requirements as specified in section 7. For on-site mitigation, transplanting should be postponed when construction work is likely to impact the mitigation. However, transplanting of on-site mitigation should be started no later than 135 days after initiation of in-water construction activities. A construction schedule which includes specific starting and ending dates for all work including mitigation activities shall be provided to the resource agencies for approval at least 30 days prior to initiating in-water construction.

7. **Mitigation Delay.** If, according to the construction schedule or because of any delays, mitigation cannot be started within 135 days of initiating in-water construction, the eelgrass replacement mitigation obligation shall increase at a rate of seven percent for each month of delay. This increase is necessary to ensure that all productivity losses incurred during this period are sufficiently offset within five years.

8. **Mitigation Monitoring.** Monitoring the success of eelgrass mitigation shall be required for a period of five years for most projects. Monitoring activities shall determine the area of eelgrass and density of plants at the transplant site and shall be conducted at 3, 6, 12, 24, 36, 48, and 60 months after completion of the transplant. All monitoring work must be conducted during the active vegetative growth period and shall avoid the winter months of November through February. Sufficient flexibility in the scheduling of the 3 and 6 month surveys shall be allowed in order to ensure the work is completed during this active growth period. Additional monitoring beyond the 60 month period may be required in those instances where stability of the proposed transplant site is questionable or where other factors may influence the long-term success of transplant.

The monitoring of an adjacent or other acceptable control area (subject to the approval of the resource agencies) to account for any natural changes or fluctuations in bed width or density must be included as an element of the overall program.

A monitoring schedule that indicates when each of the required monitoring events will be completed shall be provided to the resource agencies prior to or concurrent with the initiation of the mitigation.

Monitoring reports shall be provided to the resource agencies within 30 days after the completion of each required monitoring period.

9. **Mitigation Success.** Criteria for determination of transplant success shall be based upon a comparison of vegetation coverage (area) and density (turions per square meter) between the project and mitigation sites. Extent of vegetated cover is defined as that area where eelgrass is present and where gaps in coverage are less than one meter between individual turion clusters. Density of shoots is defined by the number of turions per area

present in representative samples within the control or transplant bed. Specific criteria are as follows:

a. a minimum of 70 percent area of eelgrass bed and 30 percent density after the first year.

b. a minimum of 85 percent area of eelgrass bed and 70 percent density after the second year.

c. a sustained 100 percent area of eelgrass bed and at least 85 percent density for the third, fourth and fifth years.

Should the required eelgrass transplant fail to meet the established criteria, then a Supplementary Transplant Area (STA) shall be constructed, if necessary, and planted. The size of this STA shall be determined by the following formula:

$STA = MTA \times (|A_t + D_t| - |A_c + D_c|)$

MTA = mitigation transplant area.

A_t = transplant deficiency or excess in area of coverage criterion (%).

D_t = transplant deficiency in density criterion (%).

A_c = natural decline in area of control (%).

D_c = natural decline in density of control (%).

Four conditions apply:

1) For years 2-5, an excess of only up to 30% in area of coverage over the stated criterion with a density of at least 60% as compared to the project area may be used to offset any deficiencies in the density criterion.

2) Only excesses in area criterion equal to or less than the deficiencies in density shall be entered into the STA formula.

3) Densities which exceed any of the stated criteria shall not be used to offset any deficiencies in area of coverage.

4) Any required STA must be initiated within 120 days following the monitoring event that identifies a deficiency in meeting the success criteria. Any delays beyond 120 days in the implementation of the STA shall be subject to the penalties as described in Section 7.

10. **Mitigation Bank.** Any mitigation transplant success that, after five years, exceeds the mitigation requirements, as defined in section 9, may be considered as credit in a "mitigation bank". Establishment of any "mitigation bank" and use of any credits accrued from such a bank must be with the approval of the resource agencies and be consistent with the provisions stated in this policy. Monitoring of any approved mitigation bank shall be conducted on an annual basis until all credits are exhausted.

11. **Exclusions.**

1) Placement of a single pipeline, cable, or other similar utility line across an existing eelgrass bed with an impact corridor of no more than ½ meter wide may be excluded from the provisions of this policy with concurrence of the resource agencies. After project construction, a post-project survey shall be completed within 30 days and the results shall be sent to the resource agencies. The actual area of impact shall be determined from this survey. An additional survey shall be completed after 12 months to insure that the project or impacts attributable to the project have not exceeded the allowed ½ meter corridor width. Should the post-project or 12 month survey demonstrate a loss of eelgrass greater than the ½ meter wide corridor, then mitigation pursuant to sections 1-11 of this policy shall be required.

2) Projects impacting less than 10 square meters. For these projects, an exemption may be requested by a project applicant from the mitigation requirements as stated in this policy, provided suitable out-of-kind mitigation is proposed. A case-by-case evaluation and determination regarding the applicability of the requested exemption shall be made by the resource agencies.

(last revised 2/2/99)

CAULERPA CONTROL PROTOCOL
(Version 1.2, adopted November 22, 2002)

A. Background Information:

Caulerpa taxifolia ("*Caulerpa*") is a green alga native to tropical waters that typically grows in limited patches. A particularly cold tolerant clone (tolerant of temperatures at least as low as 10 °C for a period of three months) of this species has already proven to be highly invasive in the Mediterranean Sea and efforts to control its spread have been unsuccessful. In areas where the species has become well established, it has caused ecological and economic devastation by overgrowing and eliminating native seaweeds, seagrasses, reefs, and other communities. In the Mediterranean, it is reported to have harmed tourism and pleasure boating, devastated recreational diving, and had a significant impact on commercial fishing both by altering the distribution of fish as well as creating a considerable impediment to net fisheries.

This alga and potentially other *Caulerpa* species pose a substantial threat to marine ecosystems in California, particularly to the extensive eelgrass meadows and other benthic environments that make coastal waters such a rich and productive environment. The eelgrass beds and other coastal resources that could be directly impacted by an invasion of *Caulerpa* are part of a food web that is critical to the survival of numerous native marine species including those of commercial and recreational importance..

Currently, *Caulerpa* has been detected in two locations in southern California and other infestations may also exist but remain undetected. In order to minimize the spread and introduction of this species and other potentially invasive species of this genus to other systems, the following provisions have been established for California nearshore coastal and enclosed bays, estuaries, and harbors from Morro Bay to the U.S./Mexican border.

B. Definitions:

Disturbing Activity – a work activity initiated by a permit holder which could fragment or disseminate *Caulerpa.*

Area of Potential Effect (APE) – the area surrounding an authorized project site that could be affected by a Disturbing Activity related to the implementation of the project work. This includes the project footprint, areas where equipment is stored, areas where vessel prop-wash could occur in association with work, or in-water disposal areas used by the project. It does not include EPA designated deep-ocean disposal sites.

High Growth Period – May 1 to September 30.

APPENDIX C:
CAULERPA

Infected System – any bay, harbor, estuary, or lagoon in which *Caulerpa* has been identified , regardless of where the infestation occurs geographically within the system. Following eradication and subsequent verification surveillance for at least two High Growth Periods, an Infected System may be re-designated as a "*Caulerpa*-Free System" by the National Marine Fisheries Service (NOAA Fisheries) and California Department of Fish and Game (CDFG). Currently identified infected systems are:

Agua Hedionda Lagoon
Huntington Harbour

NOAA Fisheries/CDFG Contacts – the designated federal and state agency contacts for submittal of survey reports and reports of *Caulerpa* findings. All submitted material must be provided to these agencies at the following addresses:

National Marine Fisheries Service
Southwest Regional Office
501 West Ocean Boulevard, Suite 4200
Long Beach, CA 90802
Attn: Robert Hoffman
ph.: (562) 980-4043
fx.: (562) 980-4092
e-mail: Bob.Hoffman@noaa.gov

Calif. Dept. of Fish & Game
South Coast Region
4949 Viewridge Drive
San Diego, CA 92124
Attn: William Paznokas
ph.: (858) 467-4218
fx.: (858) 467-4299
e-mail: wpaznokas@dfg.ca.gov

Survey Area – the area over which surveys are conducted, typically synonymous with the Area of Potential Effect.

Survey Level – the level of intensity of the survey within the survey area. Survey levels are defined as either:

1) *Surveillance Level* – General survey coverage providing a systematic sub-sampling of the entire APE during which at least 20% of the bottom is inspected and widespread occurrences of *Caulerpa* would be expected to be identified if present. Surveys may be accomplished using diver transects, remote cameras, or acoustic surveys with visual ground truthing.

2) *High Intensity Level*– More intensive survey using a systematic sub-sampling of the entire APE during which at least 50% of the bottom is inspected. Surveys may be accomplished using diver or remote camera transects that provide.

3) *Eradication Level* – This is the most intensive survey using a systematic and comprehensive survey of the entire APE during which 100% of the bottom is inspected. Surveys must be accomplished using divers moving at a rate appropriate to the site conditions to ensure that all areas are comprehensively searched irrespective of site conditions which may complicate surveys.

C. Reporting Requirements:

1. Surveys conducted in accordance with requirements outlined in this document shall be submitted to the NOAA Fisheries/CDFG Contacts within 15 days of completion of each survey. Surveys shall be submitted on the attached survey form or in a suitable reproduction of the form fields.

2. If *Caulerpa* is identified at a permitted project site during a survey or at any other time prior, during, or within 120 days after completion of authorized activities, the NOAA Fisheries/CDFG Contacts shall be contacted within 24 hours of first noting the occurrence.

3. For survey actions requiring input or coordination with NOAA Fisheries/CDFG Contacts, please provide information in a timely fashion and allow at least 5 working days for agency coordination and feedback.

D. Surveys within *Caulerpa*-Free System:

The following survey conditions shall apply to permitted Disturbing Activity within *Caulerpa*-Free Systems.

1. Prior to initiation of any permitted Disturbing Activity , a pre-construction survey of the project APE shall be conducted to determine the presence or absence of *Caulerpa*. This survey shall be conducted at a Surveillance Level. Survey work shall be completed not earlier than 90 days prior to the Disturbing Activity and not later than 30 days prior to the Disturbing Activity.

2. In the event that *Caulerpa* is detected, the Disturbing Activity shall not be conducted until such time as the infestation has been isolated, treated and the risk of spread from the proposed Disturbing Activity is eliminated in accordance with section F.

3. Exemptions – Individual, privately owned boat docks and related structures are exempt from provisions 1and 2 of this section when such facilities are found in *Caulerpa*-Free Systems and permitted activities are limited to structural repairs, replacement, modification, and pile driving and do not include dredging or other significant bottom disturbing activities.

E. Surveys within Infected Systems:

The following survey conditions shall apply to permitted Disturbing Activity within Infected Systems.

1. Prior to initiation of any permitted Disturbing Activity within an Infected System, two surveys, initiated not less than 60 days apart, shall be conducted within the project APE during the High Growth Period. The first survey shall be conducted using High Intensity Level techniques and the second survey shall be conducted using Eradication Area Level techniques.

2. At least one survey shall be conducted within 45 days of initiation of permitted Disturbing Activity dredging (a "Pre-Act Survey"). This survey could be the second (Eradication Area Level) survey conducted during the High Growth Period. However, project timing may require that a third survey be conducted prior to initiation of Disturbing Activity in order to meet this 45 day requirement. If a third survey is required, this survey shall be conducted at a either a High Intensity Level or Eradication Area Level as determined by the NOAA Fisheries/CDFG Contacts based upon site circumstances and proximity to infestations. To determine appropriate survey level, please contact the NOAA Fisheries/CDFG Contacts with project specific information.

3. If the Disturbing Activity extends for over 90 calendar days, the portions of the APE that would be expected to be impacted by a Disturbing Activity within the subsequent 90 days must be surveyed at a High Intensity Level. This subsequent survey must be conducted within 15 days following the first 90 days. Prolonged activities would require a repetition of this phased survey requirement.

4. If dredged material is removed from the APE and placed elsewhere in the marine environment, then no sooner than 60 days after placement of the dredged materials and during the next High Growth Period, the applicant shall conduct a Surveillance Level survey at all disposal areas except where material is disposed of within an existing EPA designated deep ocean disposal site. The specific survey requirements shall be determined by NOAA Fisheries and CDFG on a case-by-case basis.

F. If Caulerpa is Found:

1. If *Caulerpa* is found, then the NOAA Fisheries/CDFG Contacts shall be notified within 24 hours of the discovery.

2. All *Caulerpa* assessment and treatment shall be conducted under the auspices of the CDFG and NOAA Fisheries as the state and federal lead agencies for implementation of *Caulerpa* eradication in California.

3. Within 96 hours of notification, the extent of the *Caulerpa* infestation within the project APE shall be fully documented. *Caulerpa* eradication activities shall be undertaken using the best available technologies at the time and will depend upon the specific circumstances of the infestation. This activity may include in situ treatment using contained chlorine applications, and may also incorporate mechanical removal methods. The eradication technique is subject to change at the discretion of NOAA Fisheries and CDFG and as technologies are refined.

4. The efficacy of treatment shall be determined prior to proceeding with permitted activities. To determine effectiveness of the treatment efforts, a written Sampling and Analysis Plan (SAP) shall be prepared. The plan shall be developed in conjunction with the CDFG and NOAA Fisheries and shall be approved by these agencies prior to implementation.

5. This policy does not vacate any additional restrictions on the handling, transport, or disposal of *Caulerpa* that may apply at the time of permit issuance or in the future. It is incumbent upon the permittee to comply with any other applicable State or Federal regulations, restrictions, or changes to the Protocol that may be in effect at the time of initiation of permitted activities.

Caulerpa Survey Reporting Form

This form is required to be submitted for any surveys conducted for the invasive exotic alga *Caulerpa taxifolia* that are required to be conducted under federal or state permits and authorizations issued by the U.S. Army Corps of Engineers or Regional Water Quality Control Boards (Regions 8 & 9). The form has been designed to assist in controlling the costs of reporting while ensuring that the required information necessary to identify and control any potential impacts of the authorized actions on the spread of *Caulerpa*. Surveys required to be conducted for this species are subject to modification through publication of revisions to the *Caulerpa* survey policy. It is incumbent upon the authorized permittee to ensure that survey work is following the latest protocols. For further information on these protocols, please contact: Robert Hoffman, National Marine Fisheries Service (NOAA Fisheries), (562) 980-4043, or William Paznokas, California Department of Fish & Game, (858) 467-4218).

Site Name: (common reference)		
Survey Contact: (name, phone, e-mail)		
Permit Reference: (ACOE Permit No., RWQCB Order or Cert. No.)		
Hydrographic System: (name of bay, estuary, lagoon, or harbor)		
Specific Location: (UTM, Lat./Long., datum, accuracy level, and an electronic survey area map or hard copy of the map **must** be included)		
Was *Caulerpa* Detected: (if *Caulerpa* is found, please immediately contact the permitting agency project staff and NOAA Fisheries or CDFG personnel identified above)	**_____Yes, Caulerpa was found at this site and _____has been contacted on _____ date.** **_____No, Caulerpa was not found at this site.**	
Description of Permitted Work: (describe briefly the work to be conducted at the site under the permits identified above)		
	Depth range:	

Description of Site: (describe the physical and biological conditions within the survey area at the time of the survey and provide insight into variability, if known. Please provide units for all numerical information).	*Depth range:*	
	Substrate type:	
	Salinity:	
	Dominant flora:	
	Dominant fauna:	
	Exotic species encountered (including any other Caulerpa species):	
	Other site description notes:	
	Survey date and time period:	
	Horizontal visibility in water:	
	Survey type and methods:	
	Survey personnel:	
	Survey density:	
	Survey limitations:	
Other Information: (use this space to provide any additional information or references to attached materials such as maps, reports, etc.)		

ExxonMobil Santa Ynez Unit Offshore Power System Repair Project: Amended (SYU OPSR:A) Coastal Consistency Certification

I. Project Overview

On August 19, 2002, ExxonMobil Production Company (hereafter referred to as ExxonMobil) submitted an application for the Offshore Power System Repair Project: Amended (OSPR:A) for its Santa Ynez Unit (SYU) operations to Federal, State, and local regulatory agencies for review and approval. The proposed project involves the following maintenance repair activities on existing facilities: (1) installing approximately 17 miles (27 kilometers) of new power cable (Cable C-1) between the onshore Las Flores Canyon (LFC) Processing Facility and Platform Heritage; (2) installing approximately 4 miles (6 kilometers) of new power cable (Cable D-1) between Platforms Harmony and Hondo; (3) removing a 5-mile (8 kilometer) section of failed power cable (Cable C) from an onshore point at the southern end of LFC to the shelf break (approximately state-federal boundary); and (4) removing Cables C-1 and D-1 and the remaining 12 miles (19 kilometers) of failed Cable C on the OCS at the end of SYU life.

The proposed project would restore redundancy to the offshore electrical power system that supports SYU oil and gas production operations. The redundancy was lost in November of 1999 when a failure occurred in Power Cable C that connects Platform Heritage and the onshore Cogeneration Facility in Las Flores Canyon. The replacement cable (Cable C-1) proposed to be installed between Platform Heritage and LFC would be located on existing OCS and State Tidelands leases. The new cable (Cable D-1) to be installed between Platforms Harmony and Hondo would be located on existing OCS leases. ExxonMobil also proposes to install fiber optic cable and communication equipment at the SYU facilities to improve communication reliability between the platforms and LFC.

The project description states that the failed cable would be removed from an onshore point located near the southern end of LFC to the nearshore conduit, which is located about 800 feet (245 meters) offshore. Approximately 5 miles (8 kilometers) of failed Cable C would also be removed from the conduit terminus to the shelf break. At SYU, the location of the shelf break occurs approximately one-quarter mile (0.5 kilometer) beyond the State Tidelands/OCS boundary where the water depth ranges from 350-400 feet (100-125 meters). The project description states that the remaining 12 miles (19 kilometers) of the failed Cable C on the OCS would be removed with the removal of the other facilities at the end of the SYU project life. The end of life of SYU is estimated to occur between 2020 and 2030.

ExxonMobil estimates that the project would require 4-8 weeks to complete. The cable removal and installation phases of the project would require 14-21 days to complete. The work is expected to commence and be completed sometime between

APPENDIX D: CONDITIONS

the third quarter of 2003 and October 2005. The extended installation window is required for ExxonMobil to secure the services of a dynamically positioned (DP) vessel to install the power cables. The lead-time required to secure the services of such a vessel typically exceeds one year. ExxonMobil has informed regulatory agencies that it does not plan to contract the services of a DP vessel until it has obtained all required permits for the project. If ExxonMobil obtains all necessary permits by the first or second quarter of 2003, it may be able to secure the services of a DP vessel and complete the project in 2003.

II. Project Purpose

The proposed maintenance repair project would restore and enhance the offshore SYU power system by restoring redundancy and adding an equal level of redundancy to Platform Hondo to allow continued development and production of oil and gas resources from the SYU leases. The maintenance repair project insures that the environmentally–preferred method of powering the platforms with electricity generated onshore will continue for the life of the project.

III. Consistency Certification

ExxonMobil is applying to the United States Corps of Engineers (COE) for a permit under the Rivers and Harbors Act (33 U.S.C. 403) to authorize the laying of approximately 21 miles of power cable on the ocean bottom, the removal of approximately 5 miles of failed cable and the excavation of approximately 100 cubic yards of marine sediment. Some of these COE-permitted activities will take place within the coastal zone (in state waters) and therefore will also require a Coastal Development Permit (CDP) from the California Coastal Commission (CCC) pursuant to the California Coastal Act. Other of these activities will take place outside the coastal zone in OCS waters. The COE has advised ExxonMobil that a consistency concurrence from the CCC will be necessary for the project activities subject to the COE permit in accordance with Section 307(c)(3)(A) of the Coastal Zone Management Act (CZMA) requiring any applicant for a required Federal license or permit to conduct an activity in or outside of the coastal zone affecting any land or water use or natural resource of the coastal zone to provide a federal consistency certification. Accordingly, ExxonMobil provides the following certification:

The proposed project complies with the enforceable policies of California's approved coastal zone management program and will be conducted in a manner consistent with the program.

Data and information to support this certification are provided in Part IV below.

Certain of the activities to be conducted as part of this project are not subject to the COE permit, but rather are subject either to SBC, SLC, or CCC permitting, or must be reviewed by the MMS. While not a required element of the consistency certification for the COE-permitted activities, ExxonMobil has included information

about these non-COE-permitted activities to assist the CCC in understanding the total project.

IV. Analysis of Consistency of Project with California Coastal Policies

A. Introduction

The federal CZMA regulations require the consistency certification to include data and information necessary for the CCC to assess the consistency of the project with enforceable California coastal policies. The certification must be supported by a set of findings that relate the coastal effects of the project to the relevant enforceable policies of the management program (30 CFR Section 930.58). The enforceable policies of the California program are found in Chapter 3 of the California Coastal Act (Public Resources Code Sections 30200-30265.5).

As background for this consistency application, the following agency actions have taken place on this project. On February 19, 2003, the Santa Barbara County Planning Commission approved a revision to the Final Development Plan concerning the OPSR:A Project and the associated MND/EA (02-ND-35). On February 20, 2003, the MMS notified ExxonMobil that the OPSR:A Project had been found to be consistent with MMS regulations and required no new federal approvals at this time. On February 21, 2003, the California State Lands Commission approved an amendment to Lease PRC 7163.1 to allow removal and replacement of power cables serving SYU.

Extensive data and information about this repair project are provided in the Mitigated Negative Declaration/Environmental Assessment (MND/EA) that has been prepared by the Minerals Management Service (MMS), as lead agency for implementation of the National Environmental Policy Act (NEPA), and the Santa Barbara County (SBC) Planning and Development Department- Energy Division, as lead agency for implementation of the California Environmental Quality Act (CEQA). The MND/EA includes detailed descriptions of the environmental and regulatory setting for the project, a complete analysis of possible individual and cumulative impacts of the activities, and the mitigation measures that will be implemented by ExxonMobil to reduce the impacts of the project to insignificant levels. The agencies that prepared the MND/EA concluded that all potentially significant impacts associated with the proposed project will be reduced to less than significant levels with the implementation of the mitigation measures included in the project description and imposed through the agency permits.

The MND/EA impacts analysis is the basis for the following discussion of the repair project's consistency with the California coastal policies. It is incorporated by reference as part of this consistency certification and referenced extensively below. All conclusions in this consistency analysis regarding impacts and mitigation are consistent with the conclusions of the lead agencies that prepared the MND/EA and support ExxonMobil's certification that the project activities are consistent with the

relevant Coastal Act policies and will not adversely affect land or water uses or natural resources of the coastal zone.

The SYU Project originally received consistency concurrence from the CCC in 1983 for the offshore portion of the project (CC-7-83) and in 1985 for the nearshore and onshore portion of the project (CC-x-85). In 1988, the CCC concurred with a revised consistency certification for the onshore and nearshore portion of the SYU project (CC(E)-64-87). This proposed project involves only maintenance repair activities for the existing fully permitted SYU project that previously was deemed by the CCC to be consistent with all Coastal Act Policies.

B. Coastal Act Policies Consistency Analysis

1. Access and Recreation (Articles 2 and 3)

Sections 30210, 30211, 30212, 30213, 30240(b) and 30252 of the Coastal Act establish policies that protect the public's right to access and recreational opportunities. These policies require that development not interfere with the public's right of access to and along the shore and that, in the case where development is proposed in areas adjacent to parks and recreation areas, the project be sited and designed to prevent impacts which would significantly degrade such areas.

Section 4.20 of the MND/EA contains a complete description of the environmental and regulatory setting and potential impacts of the proposed project relevant to access and recreation.

The majority of the onshore work associated with this project is located on private property zoned M-CR, coastal-related industry and would therefore not impact adjacent recreational areas (El Capitan State Beach and campground). Onshore work off private property would be limited to accessing the tunnel via a manhole on the south side of US Highway 101. Access to the manhole would be by way of the county bike path, which runs along the bluff above the beach. The tunnel manhole would be open for approximately 10 days (5 days at a time). Equipment to be brought along the bike path would include a pick up truck, generator, air blower, safety equipment and proofing equipment. There is an existing vehicle turn around area at the southern tunnel access point, therefore, none of the necessary equipment and vehicles needed to access the manhole would block the bike path. Based on discussions with State Parks, a Temporary Use Permit (TUP) would be required to utilize the bike path. Impacts would be expected to be greater if the project is conducted during summer months, when there is significantly more recreational traffic along the bike path, however, with mitigation the impacts are not expected to be significant.

The offshore portion of the project has the potential to temporarily impact recreational boating activities as well as temporarily impact the quality of existing recreational activities (El Capitan State Beach) due to the presence of increased construction and supply vessels. Nearshore work would require approximately one week to complete.

Based on the minor and temporary nature of the project, impacts on offshore recreation are not expected to be significant.

While there may be other projects along the Gaviota coast that would occur contemporaneously, impacts on access and recreation associated with the project are so temporary and localized that they will not substantially contribute to cumulative impacts on recreational resources.

The following mitigation measures will be implemented to reduce potential project impacts on access and recreation to insignificant levels and to avoid adverse affects on land or water uses or natural resources of the coastal zone.

REC-1: The applicant shall obtain and comply with all conditions of approval set forth in its State Parks TUP. The permit shall be obtained and a copy submitted to the County of Santa Barbara Planning & Development prior to onshore construction work. Enforcement Agency: State Parks, SBC.

REC-2: During any time that the south tunnel access manhole is open, safety barriers shall be erected in the immediate area to ensure public safety. In addition, speed limits for vehicle traffic along the bike path shall be adhered to pursuant to State Parks rules implemented to for public safety. The County EQAP monitor shall verify compliance in the field. Enforcement Agency: State Parks, SBC.

REC-3: In order to ensure public safety, signs shall be posted alerting cyclists and pedestrians to project-related work being conducted along the bike path when access to the tunnel is required. Notices shall be posted at least 24 hours prior to any vehicle access and proof of noticing submitted to the County Planning & Development Department. Enforcement Agency: State Parks, SBC.

REC-4: The applicant shall submit photo documentation of the physical condition of the bike path before and after access to the south manhole tunnel. ExxonMobil shall be responsible for any maintenance or repair work necessary if there is evidence of damage during construction. The applicant shall coordinate with El Capitan State Parks for pre and post-construction inspections. Enforcement Agency: State Parks, SBC.

Consistency Conclusion for Access and Recreation Policies

This project's impact on recreational facilities and public access is temporary and minimal and will be mitigated to insignificant levels. The lead NEPA and CEQA agencies have concluded that with mitigation the impacts are insignificant. The project is consistent with the access and recreation policies of the Coastal Act and will not affect any land or water use or natural resource of the coastal zone.

2. Marine Environment (Article 4)

Sections 30230-30236 of the Coastal Act require the protection of marine resources of the coastal zone. Section 30230 requires that "marine resources shall be maintained, enhanced, and where feasible restored." Section 30231 requires that the

"biological productivity and quality of coastal waters appropriate for maintaining optimum populations of marine organisms be maintained and where feasible restored." Section 30232 requires "protection of marine resources against the spillage of crude oil, gas, petroleum products, or hazardous substances related to the development of transportation of such materials." Section 30233 requires that the filling of open coastal waters "be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects and shall be limited to one of the following:... (1)... coastal dependent industrial facilities."

The following sections of the MND/EA contain a complete description of the environmental and regulatory setting and potential individual and cumulative impacts of this project relevant to coastal zone marine resources:

4.5 Benthic Environment (pgs. 48-58)
4.6 Commercial Fishing Operations (pgs. 58-71)
4.7 Marine Mammals (pgs. 72-81)
4.8 Essential Fish Habitat (pgs. 82-93)
4.9 Endangered White Abalone (pgs. 94-100)
4.22 Water Quality (pgs. 152-164)

In the sections below, the project's potential individual and cumulative impacts in each of these areas are summarized and the mitigation measures which will reduce the impacts to insignificance and avoid any adverse effects on land or water uses or natural resources of the coastal zone are described. In the last section, consistency with Coastal Act Section 30233, which addresses filling in open coastal waters, is discussed.

a) Benthic Environment (MND/EA Section 4.5)

Three types of activities associated with the proposed project could impact the benthic environment: bottom sediment disturbance and cleaning of failed cable; anchoring; and placing a concrete mattress or the new power cable on rocky outcrops. Bottom sediment disturbance and cleaning of the failed cable at the surface would increase turbidity that could cause physical irritation, reduce available light, and subject benthic biota to an increase in sediment deposition. Anchoring could directly crush species or habitat and could also cause an increase in turbidity. Laying a concrete mattress or the new power cable physically on rocky outcrops could crush species or break-up habitat. There should be no impacts on hardbottom features from removing the failed power cable to the shelf-break.

Increases in turbidity as a result of these activities are expected to be highly-localized and temporary, causing insignificant impacts. The temporary loss of up to 24 eelgrass plants due to anchoring or cable removal will be mitigated by measures ExxonMobil will implement; therefore, any adverse impacts on eelgrass would be expected to be insignificant. Based on the distance of the nearshore abalone habitat from planned activities and implementation of the mitigation measures, the effects of

the project on non-listed abalone would be expected to be insignificant. Impacts on the benthic environment from a concrete mattress being placed on the bottom would be expected to be insignificant. Impacts from the new cable contacting 12.5 ft^2 (1.2 m^2) of a single hardbottom feature at the shelf-break would be expected to be insignificant based on the facts that the DP vessel would slowly lay the cable under loose tension onto the seafloor, the cable would not move once it is laid, and the impacted surface area is an exceedingly small amount of the total surface area of the feature. Overall, the impacts on the benthic environment from the proposed project would be expected to be localized and insignificant, and will be mitigated to levels of insignificance.

Because the proposed project activities would cause locally insignificant impacts (e.g., highly-localized, temporary turbid conditions, temporary impact on about 24 eelgrass plants, and contact with 12.5 $feet^2$ (1.2 $meters^2$) of a rocky feature at the shelf-break) on the benthic environment, is not expected to add significantly to cumulative impacts on the benthic environment in Santa Barbara Channel.

The following mitigation measures will be implemented to reduce potential project impacts on the benthic environment to insignificant levels and to avoid adverse effects on this natural resource of the coastal zone:

BE-1: ExxonMobil shall select contractors who shall use a DP vessel to lay the new power cable from shore to Platform Heritage and between Platforms Harmony and Hondo. Enforcement Agency: MMS, SLC.

BE-2: ExxonMobil shall require contractors, whenever feasible, to utilize appropriate installation techniques that minimize or avoid environmental impacts such as turbidity and anchor scarring. This shall be accomplished by following procedures included in the Anchoring Plan required by Mitigation Measure RMM-7. Enforcement Agency: MMS, SLC, SBC.

BE-3: ExxonMobil shall perform a pre-installation marine biological survey of the nearshore project area prior to any installation work adjacent to the conduit. The scope and methodology of the survey shall be submitted for review and approval to MMS, SLC, SBC, CDFG and NMFS prior to implementation. Preliminary survey results shall be submitted to agencies within 2 weeks of completion of the pre-installation survey. Final report shall be submitted within 30 days of completion of the pre-installation survey. Enforcement Agency: SLC, SBC, CDFG, NMFS.

BE-4: ExxonMobil shall, within 90-days of the completion of the project, conduct a post-installation marine biological survey to identify any impacts to the nearshore area that could have resulted from construction activity. The scope and methodology of the survey shall be submitted for review and approval to MMS, SLC, SBC, CDFG and NMFS prior to implementation. Preliminary survey results shall be submitted to agencies within 30 days of completion of the post-installation survey. Final report shall be submitted within 60 days of completion of the post-installation survey. Enforcement Agency: SLC, SBC, CDFG and NMFS.

BE-5: ExxonMobil shall require contractors to utilize an ROV to monitor and videotape selected portions of the installation activities during the cable lay operations. If the ROV observes a rocky outcrop, the ROV shall assist the DP vessel in adjusting its route to avoid a feature, whenever it is feasible to do so. Activities that shall be videotaped with a copy provided to agencies include cable-laying along the route approximately 4-5 miles (6.4-8 km) from shore, in approximately 250-500 feet (75-150 meter) water depth. Enforcement Agency: MMS, SLC.

BE-6: ExxonMobil shall cast sand excavated at or near the conduit, via a hose, 15 feet (4.5 meter) south, downslope, into the sand channel between the failed cable and the POPCO pipeline away from armor rock, boulder fields, broken rock, or bedrock ridges. Enforcement Agency: SLC, SBC, CDFG, NMFS.

BE-7: ExxonMobil shall provide, under safe conditions, the permitting agencies access to the site, during installation and installation-related activities, including but not limited to, the cable laying vessel, support vessels, and ROV vessels. Agency biologists may observe the extent, distribution, and type of habitat that could be present near anchors or in the path of the proposed power cable. In the event that rocky habitat is observed during cable installation, the applicant shall adjust its anchors or operations, if at all possible, to avoid the habitat or notify the appropriate regulatory agencies for further direction if rocky habitat is unavoidable. All agency personnel on ExxonMobil contracted vessels shall be advised of and adhere to ExxonMobil safety requirements. Enforcement Agency: MMS, SLC, SBC.

BE-8: ExxonMobil shall develop a restoration and restoration-monitoring plan within 90 days of the submission of the post-installation survey, if significant impacts to kelp, abalone, and/or hard bottom habitats are detected. The final restoration and restoration-monitoring plan shall be submitted for review and approval to MMS, SLC, SBC, NMFS and CDFG prior to implementation. The final restoration plan shall be implemented within 60 days of approval and the restoration-monitoring plan shall extend for a 3-year period. Enforcement Agency: MMS, SLC, SBC, NMFS and CDFG.

BE-9: ExxonMobil shall adhere to the Southern California Eelgrass Mitigation Policy and include a requirement to use only native species, e.g., Zostera marina, for restoration purposes, where appropriate. Any impacts to eelgrass from the project shall be mitigated in accordance with SCEMP. Enforcement Agency: MMS, SLC, SBC, CDFG and NMFS.

BE-10: If a non-listed abalone(s) (red, black, pink or green) is detected within 75 feet (23 meters) of the conduit terminus during the time of the pre-installation marine biological survey, ExxonMobil shall contact NMFS and shall have a qualified biologist move the abalone pursuant to procedures reviewed and approved by MMS, NMFS, CDFG, and SBC or the agencies with jurisdiction agree to another appropriate alternative. Enforcement Agency: SLC, SBC, CDFG and NMFS.

BE-11: ExxonMobil shall conduct a post construction ROV or diver video survey, with voice overlay, along the length of the completed cable installation in State

waters to verify the as-built condition of the cable. Such survey shall also include the entirety of the area affected by the proposed project, including all anchor locations, to confirm seafloor cleanup and site restoration. Enforcement Agency: SLC.

b) Commercial Fishing Operations (MND/EA Section 4.6)

The potential commercial fishing operational conflicts associated with the proposed project include vessel traffic; project-associated obstructions due to anchoring; the power cables themselves and any project associated items lost overboard; and space-use conflicts.

The impact to commercial fishing operations attributed to increased vessel traffic associated with the proposed project would be expected to be insignificant. Vessel traffic corridors will be used where they have been established. Inside 30 fathoms where corridors have not been established specifically for the proposed project area, ExxonMobil will establish temporary vessel traffic corridors reviewed and approved by JOFLO. In addition, ExxonMobil will provide training on vessel traffic corridors in all pre-construction meetings with project contractors and their personnel. This will eliminate the potential for vessel traffic associated with the project to conflict with commercial fishing.

The possible anchoring events at the platforms are not expected to have an adverse impact on commercial trawling operations in the area. No adverse impacts on commercial fishing operations would be expected from the power cables themselves. No adverse impacts on commercial fishing operations would be expected from project-related debris. Considering the short duration of the cable-laying vessel on the trawl grounds and the limited project area, the impact to commercial trawlers would be expected to be insignificant. Given this very small area of activity for the drift gillnet fishery, no impact to this fishery would be expected from the proposed project. Due to the highly mobile nature of the driftnet fishery and the limited area of the proposed project, only insignificant inconveniences would be expected to occur during the cable-laying phase of the proposed project. Due to the short duration and the limited area of the proposed project, only insignificant inconveniences to the trap fishery would be expected to occur. Implementation of the proposed mitigation measures would further minimize conflicts with commercial fishing. Overall, the impacts on commercial fishing operations from the proposed project are expected to be insignificant and mitigated to the maximum extent feasible.

Given the short duration of the proposed project, the small project areas, and mitigation measures to be implemented, no significant cumulative impacts to commercial fishing operations in the Santa Barbara Channel from routine activities would be expected to occur.

The following mitigation measures will be implemented to reduce potential project impacts on commercial fishing to insignificant levels and to avoid adverse effects on this water use of the coastal zone:

CF-1: ExxonMobil shall require all construction and operations vessel transits associated with the project to comply with the vessel traffic corridors established by the Joint Oil/Fisheries Committee. Enforcement Agency: MMS, SLC.

CF-2: ExxonMobil shall keep the Joint Oil/Fisheries Liaison office in Santa Barbara abreast of construction activities as they progress. Enforcement Agency: MMS, SBC.

CF-3: ExxonMobil shall require all offshore personnel to view the Western States Petroleum Association Fisheries and Wildlife Training Program. Enforcement Agency: MMS, SLC.

CF-4: ExxonMobil shall file a timely advisory with the local U.S. Coast Guard District office, with a copy to the Long Beach Office of the SLC, for publication in the Local Notice to Mariners and shall notify fishermen at least 15 days prior to the commencement of construction activities as specified in Santa Barbara County FDP Condition X-10. Enforcement Agency: MMS, SLC, SBC.

CF-5: ExxonMobil shall continue to consult with JOFLO and commercial fishermen, as appropriate, during the planning stages and construction to identify and mitigate any unanticipated impacts regarding the power cable project. If the JOFLO determines that conflicts with commercial fishing operations in the SYU area develop during this project, ExxonMobil shall make all reasonable efforts to satisfactorily resolve any issues with affected fishermen. Possible resolutions may include physical modification of identified problem areas on the new cables, the establishment of temporary preclusion zones, or off-site, out-of-kind, measures. Evidence of consultations shall be provided to the MMS, SLC, and SBC. Enforcement Agency: MMS, SLC, SBC.

CF-6: ExxonMobil shall review design concepts and installation procedures with JOFLO to minimize impacts to commercial fishing to the maximum extent possible. Enforcement Agency: MMS, SLC, SBC.

CF-7: ExxonMobil shall require the contractor to recover any fan channel support, if used, prior to demobilization in the event they escape. Enforcement Agency: MMS.

CF-8: ExxonMobil shall require contractors, to the extent reasonable and feasible, to recover all items lost overboard during activities associated with the proposed project. Logs shall be maintained on the cable lay and support vessels that identify the date, time, location, depth, and description of all items lost overboard. Enforcement Agency: MMS, SLC.

CF-9: ExxonMobil shall require the contractor to scout the nearshore conduit terminus area to determine the presence of any traps that could interfere with the cable pull operations. If any traps are found, the affected fishermen shall be contacted through JOFLO and requested to relocate the traps for the project duration. If the traps have not been moved by the time project activities are scheduled to begin, any traps that could interfere with the activities shall be relocated and then

returned to the original site at the end of the work. Enforcement Agency: MMS, SLC.

CF-10: Inside 30 fathoms, where corridors have not been established specifically for the proposed project area, ExxonMobil shall establish temporary vessel traffic corridors reviewed and approved by JOFLO for the duration of the project. Enforcement Agency: SLC, MMS.

CF-11: ExxonMobil shall include training on vessel traffic corridors in all pre-construction meetings with project contractors and their personnel. Enforcement Agency: MMS, SLC, SBC.

In addition, mitigation measures BE-1, BE-2 and BE-4 from other resource sections will reduce potential impacts on commercial fishing.

c) Marine Mammals (MND/EA Section 4.7)

Two types of potential impacts on marine mammals could be expected to occur as a result of the proposed activities. Noise associated with the cable-laying and removal activities would be a source of possible disturbance to marine mammals. In addition, the construction activities and associated vessel traffic could increase the risk that a large marine mammal, such as baleen whale, might become entangled in an anchor line or be hit by a vessel.

Observable effects of noise and disturbance on marine mammals from the proposed project cable-laying and removal operations are expected to be restricted to temporary changes in direction of movement. Given the projected levels of equipment and activity and the timing of activities, the effects of noise and disturbance on marine mammals from this project are expected to be insignificant. Implementation of the mitigation measures decreases the already small probability that adverse impacts to a marine mammal would occur due to collision or entanglement. ExxonMobil, in consultation with NMFS, MMS and SBC, will implement the marine mammal monitoring plan to further reduce potential impacts.

Given the low levels of noise and disturbance associated with the proposed cable-laying activities, this project would not be expected to add significant to cumulative impacts on marine mammals in the Santa Barbara Channel.

The following mitigation measures will be implemented to assure that potential project impacts on marine mammals are mitigated to insignificant levels and to avoid adverse effects to this natural resource of the coastal zone.

MM-1: Applicant shall implement an agency-approved marine mammal monitoring plan (MMMP) during cable laying and retrieval operations. The plan shall include the following elements:

a) A minimum of two NMFS-qualified marine mammal observers shall be located on the cable-lay vessel to conduct observations, with at least one observer on duty during all cable-laying activities.
b) Shipboard observers shall fax a daily sighting report to NMFS and MMS. This report shall be used to determine whether observable effects to marine mammals are occurring.
c) The observers shall have the appropriate safety and monitoring equipment to conduct their activities (including night-vision equipment).
d) The observers shall set a 1,640-ft (500-m) hazard zone around the cable-lay vessel for the protection of large marine mammals (i.e., whales) and shall have the authority to stop any activity if it appears likely that a whale could enter the hazard zone.
e) Applicant shall immediately contact the Santa Barbara Marine Mammal Center for assistance should a marine mammal be observed to be in distress. In the event that a whale becomes entangled in any cables or lines, the observer shall notify the Santa Barbara Marine Mammal Center and required agencies, so appropriate response measures can be implemented. Similarly, if any take involving harassment or harm to a marine mammal occurs, the observer shall immediately notify the required regulatory agencies.
f) The vessel captain shall have the final authority on vessel operations to ensure the safety of the vessel, its equipment, and the people on board and shall cooperate with the observers to minimize the potential for damage to marine mammals or the environment. The vessel captain and ExxonMobil project management shall be responsible for ensuring that the OPSR MMMP is implemented.
g) A report summarizing the results of the monitoring activities shall be completed within 90 days following completion of these activities and submitted to the required agencies (NMFS, MMS, SLC, CCC, and SBC).

The plan shall be submitted for review and approval to MMS and SLC at least 60 days prior to commencement of construction activities and to SBC prior to approval of the Coastal Development Permit.

Enforcement Agency: MMS, SLC, SBC.

MM-2: Applicant shall provide awareness training prior to the start of construction for all project-related personnel and vessel operators as to the most common types of marine mammals likely to be encountered in the project area and the types of activities that have the most potential for affecting the animals. In addition, the applicant shall require all offshore personnel to view the Western States Petroleum Association (WSPA) Fisheries and Wildlife Training Program video. Enforcement Agency: MMS, SLC.

d) Essential Fish Habitat (EFH) (MND/EA Section 4.8)

Three types of activities associated with the proposed project could impact EFH: bottom sediment disturbance and cleaning of failed cable, anchoring; and placing a concrete mattress or the new power cable on rocky outcrops. Bottom sediment

disturbance and cleaning of the failed cable at the surface would increase turbidity that would cause gill irritation or clogging, decrease the ability of fish to sight-feed, reduce available light, and subject eelgrass, sargassum, kelp and benthic biota to an increase in sediment deposition. Anchoring could directly crush species or habitat and could also cause an increase in turbidity. Laying the power cable physically on rocky outcrops could crush species or break-up habitat. There would be no impacts anticipated on hardbottom features from removing the failed power cable to the shelf-break.

To minimize the impacts from turbidity within the shallow nearshore rocky habitat, ExxonMobil will cast excavated sand, via a hose, 15 feet (4.5 meters) south, downslope, into the sand channel between the failed cable and the POPCO pipeline away from armor rock, boulder fields, broken rock, or bedrock ridges. Increases in turbidity would be expected to be highly-localized and temporary causing insignificant impacts. The temporary loss of 24 eelgrass plants will be mitigated by measures discussed in the Benthic Environment section; therefore, any adverse impacts on eelgrass from anchoring would be expected to be insignificant. Impacts on EFH from a concrete mattress being placed on the bottom would be expected to be insignificant. Impacts from the new cable contacting 12.5 feet^2 (1.2 meters^2) of a single hardbottom feature at the shelf-break would be expected to be insignificant based on the facts that the DP vessel would slowly lay the cable under loose tension onto the seafloor, the cable would not move once it is laid, and the impacted surface area is an exceedingly small amount of the total surface area of the feature. Overall, impacts on managed species and EFH from the proposed project would be expected to be insignificant and mitigated to the maximum extent feasible.

Because the project results only in locally insignificant impacts, it is not expected to add significantly to cumulative impacts on marine species and EFH in the Santa Barbara Channel.

The following mitigation measures will be implemented to assure that potential project impacts on essential fish habitat are mitigated to insignificant levels and to avoid adverse effects to this natural resource of the coastal zone.

EFH-1: ExxonMobil shall conduct a pre-project eelgrass survey during the active growth phase (March through October) that shall be valid for a period of 120 days with the exception of surveys completed in August through October. A survey completed in August through October shall be valid until the resumption of active growth (i.e., March 1). Survey results shall be provided to SLC, SBC, CDFG, NMFS, and MMS at least 15 days prior to start of the project. Enforcement Agency: SLC, SBC, CDFG, and NMFS.

EFH-2: ExxonMobil shall conduct a post-project eelgrass survey within 30 days of project completion to determine the actual area of impact. Preliminary survey results shall be submitted to SLC, SBC, CDFG, NMFS, and MMS within 30 days of completion of the eelgrass post-installation survey. Final report shall be submitted

within 60 days of completion of the eelgrass post-installation survey. Enforcement Agency: SLC, SBC, CDFG, and NMFS.

EFH-3: ExxonMobil shall submit copies of all surveys and/or mitigation plans to NOAA Fisheries. Enforcement Agency: MMS and SBC.

In order to further minimize impacts on managed species and EFH, regulatory agencies will require the applicant to implement the following mitigation measures from other resource sections: BE-1 through BE-10.

e) Endangered White Abalone (MND/EA Section 4.9)

Two types of project activities could potentially impact the endangered white abalone: bottom sediment disturbance and cleaning of failed cable, and anchoring. Bottom sediment disturbance and cleaning of failed cable at the surface would increase turbidity that could deposit sediment onto white abalone, cause physical irritation, reduce available light, and subject algal species upon which white abalone feed to an increase in sediment disposition. Anchoring could directly crush species or break up habitat and could also cause an increase in turbidity.

Turbidity: Overall, the proposed project would be expected to result in minimal, temporary, localized increases in turbidity. In the shallow nearshore, divers working at and seaward of the conduit terminus would excavate sand in order to uncover the failed cable and clear the conduit. To minimize the impacts from turbidity within the shallow nearshore rocky habitat, ExxonMobil will cast excavated sand, via a hose, 15 feet (4.5 meters) south, downslope, into the sand channel between the failed cable and the POPCO pipeline away from armor rock, boulder fields, broken rock, or bedrock ridges. The surface cable cleaning will result in a turbid cloud beneath and around the cable-reel vessel. The cable-reel vessel would begin to retrieve and clean cable at least 75 feet (20 meters) south of the conduit terminus. As reported by de Wit (2001 and 2002), sediment found in the shallow nearshore area appears to have a sandy texture that would rapidly resettle when disturbed either on the bottom or when washed from the failed cable at the surface. In addition, the natural exposure of the nearshore Gaviota coast contributes to periods of high-energy surf with periodic strong surge and increased turbidity. Consequently, the marine species found in the nearshore habitat are hardy and able to adjust to periods of turbid conditions.

The conduit terminus is about 600 feet away from the observed white abalone. Any increase in turbidity from work at or near the conduit would not impact or affect the white abalone at that distance. However, it is unlikely that the expanded marine biological survey detected 100 percent of all the potential abalone in the area. Additional white abalone may be present or the previously detected abalone may move from its present location. White abalone would however, be located on hard substrate such as armor rock, boulders, or a rock ledge. Although armor rock is closer, natural rocky areas are greater than 100 feet (30 meters) away from any excavation or disturbance that would increase turbidity at, around, or south of the conduit terminus. To minimize the impacts form turbidity within the shallow

nearshore habitat, ExxonMobil will cast excavated sand, via a hose, 15 feet (4.5 meters) south, downslope, into the sand channel between the failed cable and the POPCO pipeline away from armor rock, boulder fields, broken rock, or bedrock ridges. In addition, if a white abalone(s) is detected near the conduit terminus during the time of the pre-installation marine biological survey, project activities would not begin until any individual(s) have been relocated or the agencies with jurisdiction agree to another appropriate alternative. Based on the location of the white abalone and its habitat with relation to the planned activities and implementation of the proposed mitigation measures, no impacts on endangered white abalone would be expected from the proposed project.

Anchoring: Anchoring would take place at the nearshore site. Four of the nine nearshore anchors would be placed on sandy sediment near the conduit terminus, at least 40 feet (12 meters) away from rocky habitats or kelp, but within scattered eelgrass habitat. Any abalone would be located on a hard substrate at least 40 feet (12 meters) from any anchor location. According to deWit (2002) one anchor location (1-C) appears to be on the edge of rocky habitat. To avoid potential impacts, ExxonMobil will reposition the location for anchor 1-C to ensure that it is at least 40 feet (12 meters) from rocky habitat.

All anchors would be lowered and retrieved vertically to and from pre-selected positions, using a differential geographic positioning system (DGPS). All anchors would have chain and wire rope extending from the anchor shank to a floating steel buoy that becomes the mooring buoy and also keeps the chain and wire rope off the seafloor. Controlled mooring using DGPS pre-set anchors and vertical anchor placement and retrieval would prevent crushing of any rocky habitat or attached biota and would limit any increase in turbidity to the initial touchdown of the anchors that are too far away to impact or affect the individual white abalone. If a white abalone(s) is detected near the conduit terminus during the time of the pre-installation marine biological, project activities would not begin until any individual(s) have been relocated or the agencies with jurisdiction agree to another appropriate alternative.

With implementation of mitigation, no impacts to the endangered white abalone from routine operations would be expected as a result of the proposed project, and the project would not add significantly to cumulative impacts on the endangered white abalone.

The following mitigation measure will be implemented to reduce the potential project impacts on the white abalone to insignificant levels and to avoid adverse effects on this natural resource of the coastal zone.

AB-1: If a white abalone(s) is detected near the conduit terminus during the time of the pre-installation marine biological survey, ExxonMobil would not begin project activities until any individual(s) have been relocated or the agencies with jurisdiction agree to another appropriate alternative. Enforcement Agency: NMFS, SLC, SBC, CDFG.

AB-2: ExxonMobil shall perform a pre-installation abalone survey of the nearshore project area within 14 days prior to any installation work adjacent to the conduit. The scope and methodology of the survey shall be submitted for review and approval to MMS, SLC, SBC, CDFG, and NMFS prior to implementation. If a white abalone is identified during the pre-installation survey, ExxonMobil shall contact NMFS immediately. Preliminary survey results for abalone shall identify all species (red, black, pink, white, and green) in the nearshore project area and be submitted to agencies prior to any installation work. Final report shall be submitted within 30 days of completion of the pre-installation survey. The pre-installation marine biological survey required as mitigation for the Benthic Environment (see Mitigation Measure BE-3) may be performed at the same time as AB-1. Enforcement Agency: NMFS, SLC, SBC, CDFG.

AB-3: If a white abalone(s) is detected within 75 feet (23 meter) of the conduit terminus during the time of the pre-installation abalone survey, ExxonMobil shall halt project activities in the nearshore conduit area until any individual(s) have been relocated or the agencies with jurisdiction agree to another appropriate alternative. Enforcement Agency: NMFS, SLC, SBC, CDFG.

In order to further minimize impacts on white abalone, regulatory agencies will require the applicant to implement the following mitigation measures from other resource sections: EFH-3, RMM-7, BE-1, BE-2, BE-4, BE-6, and BE-8.

f) Water Quality (MND/EA Section 4.22)

The sources of potential impacts to water quality from the power cable excavation, removal and installation would be:

- Water jetting to expose the ends of the J-tubes at Platforms Hondo, Harmony and Heritage, the end of the conduit nearshore, the cable at the POPCO pipeline crossing and the ends of the cables prior to cutting and removal.

The amounts of sediment which could be suspended at the conduit are estimated to range from 30 to 60 cubic yards (yd^3). The sediment in this area is sand-sized. Jetting activities would raise this sandy particulate into the water column, but since sand is relatively heavy, it would sink to the sea floor within a few feet from the point of disturbance. Further offshore near the platforms, sediments are characterized by finer silt-sized particles with some clay. Near Platform Hondo, 22-44 yd^3 of clayey silt would be disturbed. Most of this sediment would settle within a few ten of feet of the point of disturbance, while the remainder would disperse with the ambient currents. Neither the J-tubes nor the cable at Platforms Harmony and Heritage are buried. Thus, less than one cubic yard at each platform would be expected to be disturbed. The sediment is similar to that at Platform Hondo, and would settle relatively quickly and not degrade water quality.

- Flushing and pigging, where necessary, the conduit and J-tubes;

It is anticipated that approximately 1 cubic yard of sediment would be displaced from inside the conduit and J-tubes to outside during flushing and pigging operations and be dissipated by the local currents. Other material inside the conduit and J-tubes might include minor amounts of rust and some organic material. This would also be dissipated by the local currents and not degrade the water quality.

- Anchoring;

At all locations where anchoring is necessary, less than one cubic yard would be resuspended when anchors are placed onto the sea floor and when the anchors are raised. Negligible impacts to water quality would occur due to anchoring activities.

- Removal and cleaning of short segments of cable in preparation for installation of the new cable;

Removal of the failed cable at Platform Hondo would result in the temporary resuspension of approximately 50 cubic yards of clayey silt sediments. Similarly, cable removal would result in the temporary resuspension of approximately 5 cubic yards of silty sediment at Platform Heritage. This activity would not substantially degrade water quality. Approximately 6 to 8 yd^3 of material would be removed from the cable by water blasting before it is wound onto the DP lay vessel reel at three locations: the nearshore conduit terminus, and from the J-tubes at Platforms Hondo and Heritage. The cleaning process would result in a turbid cloud beneath and around the cable-reel vessel and would dissipate within a short period of time.

- Installation of the new power cable;

The installation of the new power cable from the nearshore conduit to Platform Heritage would resuspend about 45 yd^3 of sediment from the seafloor. Sediment characteristics would range from sandy in the nearshore area to silty sand on the outer shelf to clayey silt near the platforms. During the installation of the cable between Platforms Harmony and Hondo, a negligible amount of sediment (less than one cubic yard) would be suspended. A negligible impact to water quality would occur from this phase of the project.

- Removal of the failed cable to the shelf break.

About 120 yd^3 of sediment would be disturbed over a distance of 5 miles (8 km) as the cable is retrieved form the seafloor. The cable is completely buried for approximately the first 2 miles (3.5 km) and embedded in the seafloor the remaining 3 miles (4.5 km), in water depths greater than approximately 200 feet (60 m). Most of the turbidity would occur close to the seafloor, particularly where the sediments are sandy. These would settle within a few feet of the point

of disturbance. Further offshore, where the sediments are finer and the proportion of silt increases, the turbid cloud would stay in suspension longer and be dispersed by bottom currents. It is estimated that much of the disturbed sediment would settle to the bottom within a few tens of feet of the point of disturbance while the finer sediments would drift down-current, gradually dispersing. No significant impact to water quality would be anticipated from this turbidity.

Some sediment would adhere to the cable on its way to the surface, leaving a gradually decreasing trail of sediment in the water column. Most of the disturbed sediment would remain close to the sea floor, settling out relatively quickly, as discussed above, while the remainder would be dissipated by the currents throughout the water column. Impacts to the water quality would be negligible.

About 30 yd^3 of material would be washed off the cable and onto the sea surface, generating a continuous cloud of turbidity below and around the vessel. However, while the clouds of sediment raised by these operations would be continuous while the activity is occurring, it would be spread over a wide area and be dissipated by local waves and currents. Thus, impacts to water quality would be negligible.

Less than one cubic yard of sediment would be suspended due to the anchoring activities proposed to occur near the end of the conduit. Since the sediment is mostly sandy where anchoring would occur, only a negligible impact to water quality would result.

Impacts to water quality due to increases in turbidity could occur from this portion of the overall decommissioning process because of the removal of the cables from the seafloor and cleaning the exposed cables onboard the reel vessel. There would be little or no anchoring since the cable-reel vessel will have dynamic-positioning capability.

The following mitigation measures will be implemented to reduce the project's potential for impacts on water quality to an insignificant level and avoid any adverse effects on water quality in the coastal zone.

WQ-1: Provide results of samples taken of the seawater in the J-tubes to EPA and submit other information (such as volume, number of times to discharge, etc.) to EPA in order to receive permission to conduct flushing (see response to MMS comments, page 10, March 2002 and personal communication, Eugene Bromley, U.S. EPA, Region 9, May 2002). Enforcement Agency: EPA, MMS.

WQ-2: Work with the CCRWQCB by providing samples of the material within the conduit and, if required by the CCRWQCB, submit a Low Threat Permit in order to receive permission to conduct conduit flushing operations (see response to MMS comments, page 10, March 2002 and personal communication, Mike Higgins, CCRWQCB, May 2002). Enforcement Agency: CCRWQCB, MMS, SLC, SBC.

WQ-3: If onshore work is proposed to occur during the rainy season (November 1 – April 1), ExxonMobil shall submit an erosion control plan, along with grading plans, to ensure proper drainage or containment of manmade structures and sediment and debris away from Corral Creek. Plans shall be submitted to Santa Barbara County Planning and Development for review and approval prior to construction work onshore. Enforcement Agency: SBC.

In addition, mitigation measures BE-1 and BE-2 from other resource sections will also mitigate potential water quality impacts.

g) Consistency with Coastal Act Section 30233

Section 30233 requires that the filling of open coastal waters "be permitted in accordance with other applicable provisions of this division, where there is no feasible less environmentally damaging alternative, and where feasible mitigation measures have been provided to minimize adverse environmental effects and shall be limited to one of the following:... (1)... coastal dependent industrial facilities." The below discussion demonstrates that the proposed project is consistent with this policy because there are no feasible less environmentally damaging alternatives and feasible mitigation measures to minimize adverse environmental effects will be implemented.

Project Alternatives (MND/EA Section 2.5)

Several alternatives to the proposed project that were carried forward for analysis in the MND/EA are as follows: Alternative A: Deferred Removal of Failed Cable to the Shelf Break; Alternative B: Removal of Failed OCS Cable in the Near Term (2003-2007); and Alternative C: the No Project Alternative. Alternative A involves the installation of two new cables (C-1 and D-1) and deferred removal of the failed cable (Cable C) in State waters and the OCS until the end of SYU life. Alternative B involves the installation of two new cables and removal of the failed cable in State waters and on the OCS. Under Alternative C, the project would not be conducted.

In addition, two other alternatives were considered but not carried forward in the MND/EA analysis. The first alternative involved using a specially equipped supply vessel to remove cable on the OCS. The second alternative involved installing diesel or gas powered engines on the platforms to generate the power required for operating the production equipment. The alternatives considered but not analyzed and those carried forward in the analysis are summarized below.

Removal of OCS Cable Using a Supply Boat: The use of a supply boat to remove the failed Cable C was not carried forward for analysis because it was not considered feasible due to technical and safety concerns. The removal of a power cable from the seabed ideally requires the use of a DP vessel that uses its engines to maintain its position over the cable in various sea conditions. Supply boats lack this capability as they are not designed to operate in a dynamically positioned mode. The inability of a supply boat to maintain its position above a power cable during lifting operations could result in the breaking of the cable and an uncontrolled drop of the cable to the sea floor. This could result in serious injuries to personnel on the

support boat and result in damage to surrounding pipelines and power cables. The MMS has informed ExxonMobil and other regulatory agencies that it would not approve the use of a supply boat to remove cable on the OCS because it is not considered to be Best and Safest Technology (BAST), which is required by Federal OCS oil and gas regulations.

Installing Diesel or Gas Powered Engines: Installing diesel or gas powered engines on the platforms to generate electrical power was not considered feasible because each platform requires about 20 megawatts of electrical generation to operate the production equipment. The size of the equipment required to generate this much power would too large for the platforms and would take several years to build. The Santa Barbara County Air Pollution Control District has indicated it would be very difficult to obtain the necessary permit with associated offsets to operate such a large emissions source. In obtaining permits for the SYU Expansion Project, ExxonMobil also agreed to utilize power cables to provide electricity to the platforms from onshore generation facilities.

Alternatives Analyzed in the MND/EA

Alternative A: Deferred Removal of Failed Cable to the Shelf Break
This alternative involves installing two new cables (C-1 and D-1) and deferring removal of the failed C Cable to the shelf break until the end of SYU life, at which time it would be removed with other SYU facilities. This alternative is the same as the proposed project except that removal of approximately 5 miles (8 km) of failed Cable C from the nearshore conduit to the shelf break would be delayed until the end of SYU life, which ExxonMobil estimates will occur between 2020 and 2030. The project would commence and be completed sometime between 2003 and October 2005. The project would require 13 to 20 days to complete, 1 day less than ExxonMobil's proposed project. The vessel spread for this alternative is the same as the proposed project.

Alternative B: Removal of Failed OCS Cable in the Near Term (2003-2007)
This alternative involves installing two new cables (C-1 and D-1), removing approximately 5 miles (8 kilometers) of failed C Cable from the nearshore conduit to the shelf break, and removing approximately 12 miles (20 kilometers) of failed cable on the OCS. Under this alternative, the removal of a 5,000 foot (1,525 meters) segment of the failed cable located southwest of Platform Harmony would be deferred until the end of SYU life. This cable segment is located between two points where the Heritage to Harmony gas pipeline overlays the failed cable. The risks associated with removing this cable segment were determined to outweigh the benefits. Alternative B would be conducted in two phases. Phase 1 would involve the installation of two new cables (C-1 and D-1) and removal of the failed Cable C from the nearshore conduit to the shelf break, which is the same as the proposed project. Phase 1 would be conducted between 2003 and October 2005. Phase 2 would involve using a DP barge to remove the failed Cable C on the OCS, which is located in water depths ranging from approximately 350-1,200 feet (110-365 meters). Phase 2 would be conducted between 2003-2007. Phase 1 work would require an estimated 14-21 days to complete. Phase 2 work would be conducted using a

different vessel spread and require an estimated 12-14 days to complete. The vessel spread for Phase 1 is identical to the proposed project. Phase 2 will require deployment of a DP barge, a support tug, and a dive support vessel.

Alternative C: No Project Alternative
This alternative is the No Project Alternative. Under this alternative the proposed project would not occur and the two new power cable would not be installed. In addition, the removal of the failed Cable C from the nearshore conduit to the shelf break would be deferred until the end of SYU life. The adoption of this alternative would avoid all of the potential adverse impacts resulting from the proposed project discussed in this MND/EA.

Feasible Mitigation Measures (MND/EA Sections 4, 6.0 and 7.0)

Santa Barbara County and the MMS conducted a coordinated review to identify the resources that have the potential to be impacted by the proposed project. As part of the Mitigated Negative Declaration/Environmental Assessment, all of the key issue areas covered by the Santa Barbara County Environmental Threshold and Guideline Manual (with 1995 and 1996 updates) were reviewed to determine which issue areas could possibly be impacted as a result of the implementation of the offshore portion of the project. These issue areas include geologic processes, water resources/flooding, transportation/circulation, air quality, biological resources, archaeological resources, ethnic resources, historic resources, noise, land use, public facilities, energy, fire protection, recreation, aesthetics/visual resources, housing, and risk of upset/hazardous materials.

All adverse impacts identified for the proposed ExxonMobil Offshore Power System Repair Project: Amended were found to be fully mitigable with the incorporation of mitigation measures incorporated in the MND/EA. Cumulative impacts were discussed in the MND/EA to address NEPA-required elements. Cumulative impacts were found to be insignificant. As a result, the County of Santa Barbara Planning & Development Department, Energy Division, as lead CEQA agency, has determined that a Mitigated Negative Declaration is the appropriate environmental document for the project.

Based on the evaluation of potential impacts and mitigation measures discussed in the MND/EA, MMS's approval of the installation of ExxonMobil's OSPR:A Project, including implementation of the mitigation measures MMS requires, does not constitute a major Federal action significantly affecting the quality of the human environment, in the sense of NEPA (Section 102(2)(C)).

Consistency Conclusion Regarding Marine Environment Coastal Policies

As described above and in the MND/EA incorporated by reference, the impacts of this maintenance repair project on the marine environment are minor, temporary, and localized. Impacts on the benthic environment, marine mammals, and EFH have been determined by the lead agencies to be locally insignificant with the mitigation that ExxonMobil will implement. Given the short duration of the project, no adverse

impacts to commercial fishing operations are expected. With implementation of mitigation, no impacts to the endangered white abalone is likely. Finally, water quality impacts will be negligible. With the mitigation measures to be implemented, all impacts to the marine environment will be insignificant as determined by the lead agencies using their significance criteria. Finally, the lead agencies have determined that there are no feasible less environmentally damaging alternatives to the proposed project and that feasible mitigation measures have been provided to minimize adverse environmental impacts. Accordingly, the project will not have adverse impacts on the marine environment of the coastal zone and is consistent with the Article 4 policies.

3. Development and Industrial Development (Article 6 and 7)

Article 6 of the California Coastal Act establishes coastal policies for new development. Section 30250 requires location of new development within or in close proximity to existing developed areas able to accommodate it or in other areas where significant adverse impacts or coastal resources can be avoided. Section 30251 requires that new development be sited in a manner that protects ocean and coastal views. Section 30252 addresses the effects of new development on public access to the coast. Section 30253 establishes additional criteria for new development designed to minimize hazards, assurance stability and structural integrity, compliance with federal and state air quality standards, and conserve energy.

These "new development" policies were considered in detail during the permitting of the SYU project, and the CCC determined that the SYU project as mitigated to the maximum extent feasible was consistent with these development policies. This proposed project consists of maintenance-repair activities related to the existing, previously-permitted SYU project and does not fit within the scope of "new development". Accordingly, the Article 6 policies are not relevant for purposes of the consistency analysis for this proposed project.

The coastal policies set out in Article 7 (Sections 30260-30264) also are directed at the permitting of new or expanded industrial and/or oil and gas facilities. These Sections contain special provisions which allow additional consideration to be given to proposed coastal development industrial facilities that would fail to meet the other coastal policies (Sections 30200-30255). These policies were the subject of extensive and detailed analysis during the permitting of the SYU project, and the CCC found that as mitigated to the maximum extent feasible, the SYU project is consistent with these policies. The proposed cable repair project consists of maintenance repair activities on this existing, previously-permitted SYU project that are necessary to insure that the SYU development continues to meet these coastal policies. Since this project does not involve new or expanded development, the Article 7 policies are not relevant for purposes of the consistency analysis for this project.

Even though the Articles 6 and 7 policies are not relevant to this maintenance repair project, the following discussion demonstrates that the proposed maintenance repair activities will be conducted in a manner consistent with these policies.

The following sections of the MND/EA contain a complete description of the environmental and regulatory setting and potential individual and cumulative impacts of this project relevant to issue areas that are addressed by Articles 6 and 7 policies.

4.1 Aesthetics / Visual Resources (pgs. 28-29)
4.3 Air Quality (pgs. 30-44)
4.11 Energy (pgs. 108-109)
4.14 Geologic Processes (pgs. 112-114)
4.15 Hazardous Materials / Risk of Upset (pgs. 115-138)
4.19 Public Facilities (pgs. 145-147)
4.21 Transportation / Circulation (pgs. 150-152)

a) Aesthetics / Visual Resources (MND/EA Section 4.1)
The project would not generate any long term adverse impacts to aesthetic or visual resources nor would it adversely impact the visual character of the area (scenic Gaviota coast). Potential impacts caused by the proposed project would be temporary and would be primarily limited to offshore construction vessels and night lighting. Work is proposed to occur 24 hours per day on the platforms and vessels. Construction activities would be expected to last 4 to 8 weeks. Onshore work activities would normally occur during daylight hours except for operational shut down periods when work would be continuous. Night glare from vessel lighting and construction equipment would be visible to the public. All new structures would be located on the seafloor, within an existing underground tunnel or within previously developed areas of the canyon.

Onshore work would be limited to previously disturbed areas of the canyon. The only portion of construction activity that would be visible to the public (along Calle Real and US Highway 101 northbound) would be excavation in the lower canyon. The proposed project would be visually compatible with the height, scale and design of the existing facility. All impacts would be temporary, and there would be no cumulative impacts associated with the project.

The proposed project would not extend the life of the project and therefore would not prolong the impacts caused by the existing platforms. There are no cumulative impacts associated with the project.

The following mitigation measure will be implemented to reduce the potential for project impacts on visual resources to insignificant levels and to avoid adverse effects on visual natural resources of the coastal zone.

VIS-1: Shielding or re-aiming lights to minimize glare from night lighting shall be utilized onshore and on vessels offshore when within 0.5 mile from shore unless such shielding would conflict with US Coast Guard requirements. Enforcement Agency: SLC, SBC

b) Air Quality (MND/EA Section 4.3)

The potential impacts to onshore air quality resulting from emissions from vessels and equipment used in the SYU offshore power system repair project (cable installation phase) are considered by the lead agencies that prepared the NMD/EA to be insignificant based on their significance criteria. The cable laying phase of the project is considered to be a construction operation exempt from permit under SBCAPCD Rules 201.D.2 and 202.F.3 provided the Potential to Emit of the DP lay vessel stays below 25 tons per year. The 25-ton emission limitation is the level below which the SBCAPCD considers that projects of this type and duration would result in insignificant air quality impacts.

The retrieval of the failed cable to the shelf break would require an Authority to Construct permit and be subject to all provisions of SBCAPCD Rules and Regulations with the exception of providing emission offsets. Exxon/Mobil has proposed to provide compensation to the SBCAPCD Innovative Technology Fund for any emission potential over 240 lbs. per day associated with the retrieval of failed cable C to the shelf break. As the peak daily emissions for the cable retrieval are estimated at 2,512.8 lbs., approximately 2,272.8 lbs. would need to be compensated for in the Innovative Technology Fund. SBCAPCD considers compensation to the Innovative Technology Fund to levels below the emission offset threshold to result in insignificant air quality impacts from demolition operations. Mobile source emissions would be expected to be minimal based on the short duration of the project.

The Emission Reporting Plan would be used to limit equipment usage and project duration to ensure compliance with Rule 201.D.2 limiting the potential to emit of the project to less than 25 tons of any affected pollutant during any consecutive 12 month period. Emission limitations placed upon the project would be additionally assured by daily monitoring of emissions to ensure compliance with SBCAPCD threshold levels. Threshold levels would be preserved through identified contingency measures to be implemented for the project if the project reaches 80% of the emission limitation as identified in the daily monitoring reports. The contingency measures would be implemented when actual emissions generated to date plus the projected emissions required to complete the project exceed 20 tons. The potential for violations of the ambient air standards would be further minimized through implementation of the aforementioned project conditions to mitigate emissions associated with the power cable project.

No other projects are presently proposed for the affected OCS area during the proposed two to three week proposed project period. SBCAPCD rules have deemed that power cable laying projects that result in emissions below the 25 ton level are considered to be insignificant. Previously identified potential impacts have been addressed through ExxonMobil's commitment to mitigation measures listed below. To date, the SYU Expansion Project emissions of NOx and ROC have been well below permitted levels, and no exceedances of the NO_2 standard have occurred at applicable monitoring sites during the highest emission intensive phases of the OCS construction. Thus the emissions associated with the power cable laying and short-

term cable removal operations would not be expected to result in any cumulative exceedances of applicable air quality standards.

The following mitigation measures will be implemented to reduce the project's potential for impacts on air quality to insignificant levels and avoid any adverse effects on land or water uses and on this natural resource of the coastal zone.

AQ-1: ExxonMobil shall implement the OPSR:A Project in accordance with the provisions of the Emissions Reporting Plan and any subsequent approved modification to the plan. This plan shall provide detailed information regarding the internal combustion engines used, the duration of their use, the fuel consumed, and the calculated emissions. The plan shall be submitted to the RS, ODOS and SBCAPCD, for review and approval 60 days prior to commencement of cable laying activities.

The plan shall limit the potential to emit of the equipment on the DP Lay vessel used for the installation of the power cables at the SYU stationary source to less than 25 tons per year of any affected pollutant during any consecutive 12 month period. The plan shall include limitations on the DP Lay vessel equipment use as well as the project duration to demonstrate that the Potential to Emit for the DP Lay vessel will be below 25 tons per year.

The plan shall also limit the combined actual emissions from all construction equipment used in the installation of the power cables at the SYU stationary source to less than 25 tons of any pollutant, except carbon monoxide, in a 12 month period. The plan shall include detailed information on the engines used and methods to measure fuel consumption to demonstrate that the actual emissions for the project will be below 25 tons per year. Enforcement Agency: MMS, APCD.

AQ-2: Determine, on a daily basis, fuel use and emissions from the installation of the power cable when within 25 miles of SYU. At the conclusion of the project, the applicant shall prepare and submit a summary of the daily and total fuel use and emissions associated with the project to verify compliance with SBCAPCD rules and regulations and SYU and project specific permit conditions. Enforcement Agency: MMS, APCD.

AQ-3: Require construction vessel and other associated IC engines to comply with the SYU PTO condition (i.e. Platform Harmony 9.C.5(b)(viii)) by using fuel with less than 0.2% sulfur by weight when operating within Santa Barbara County. Enforcement Agency: MMS, APCD.

AQ-4: Dust generated by onshore construction activities shall be kept to a minimum with a goal of retaining dust on site. The dust control measures shown below shall be followed. Enforcement Agency: APCD, SBC.

a. During clearing, grading, earth moving, excavation, or transportation of cut or fill materials, water trucks or sprinkler systems are to be used to prevent dust from leaving the site and create a crust after each day's

activities cease.

b. During construction of the onshore portion of the project, water trucks will be used as necessary to keep all areas of vehicle movement damp enough to reduce dust from leaving the site. At a minimum, this should include wetting down such areas in the late morning and after work is completed for the day.

AQ-5: The applicant shall contribute financial support to the SBCAPCD Innovative Technology Fund to compensate for any emission potential over 240 lbs. NOx per day associated with the retrieval of failed Cable C to the shelf break. Enforcement Agency: APCD, SBC.

AQ-6: Prepare a contingency plan prior to cable installation for the scenario where the total project emissions of any affected pollutant, except CO, is projected to exceed 80% of the above 25 ton/year limit. This plan shall identify potential measures that could be implemented by the contractors to reduce, defer or eliminate emissions without adversely impacting safety or completion of the project. In addition, daily fuel use with pollutants emitted to date and projected toward project completion shall be provided to MMS and the SBCAPCD. Enforcement Agency: MMS, APCD.

c) Energy (MND/EA Section 4.11)

The proposed project would not increase demand for energy. The replacement of the failed power cable would reestablish the existing level of power to the platforms. Energy needs for the project will be supplied by existing sources or from onshore generation (via ExxonMobil's cogeneration plant). There would be a slight decrease in energy production and consumption during the time SYU is down for cable connections at platforms, onshore and during tunnel work. The proposed project would not extend the life of the project or require the development of new sources of energy.

Given the fact that the proposed project would re-establish the existing level of power to the platforms and not lead to an increase in power generated or consumed, there are no cumulative impacts on energy usage foreseen.

No mitigation is required as there will be no impacts on energy resources from the project and no adverse effect on land or water uses and natural resources of the coastal zone.

d) Geologic Processes (MND/EA Section 4.14)

Onshore within the coastal zone, the proposed activities would not exacerbate or produce unstable earth conditions, due to the relatively small quantity of excavation and the location. There would be no cuts, fills or grading with the proposed projects and no temporary or permanent changes in topography. The area of the proposed

onshore excavation is not located in an area of any unique geologic, paleontologic or physical feature. Due to the location and limited amount of excavation, no increase in wind or water erosion of soils is expected, either on or off the site. Should the work occur during the rainy season (November 1 – April 1) erosion control measures would be necessary. Work in the lower canyon would be outside the creek setback and work on the south side of Highway 101 would be limited to tunnel access from a paved bike and pedestrian path.

Offshore the new cable would be anticipated to conform to the fan channel; no long spans are anticipated nor would there be the need for any cable supports. The new cable, measuring 6 inches in diameter, would likely be covered with sediment over time and not result in a measurable change to the bathymetric profile of the seafloor. No permanent modifications to the ocean floor would be anticipated as anchoring has been minimized by use of a dynamically positioned vessel. An anchoring plan has been prepared for non-DP vessels for use in the event of unanticipated weather that would ensure that anchor locations are in areas with no potential for impacts (e.g., hard bottom impacts). Laying of the cable and removal of portion would not cause any subsea landslides or other potentially damaging geologic process. Temporal and localized turbidity would result, however the affect of such action would not be significant (see Water Quality section).

The proposed project would not substantially contribute to any onshore cumulative impacts as the area of temporary disturbance is not in a sensitive geologic area. Further, excavation would be limited a previously developed portion of the canyon.

The proposed project would contribute to the accumulation of manmade structures and oil and gas infrastructure on the sea floor until the end of the life of the project. For the purposes of this analysis, it is not anticipated that the proposed project would significantly contribute to cumulative impacts associated with modifications to geologic processes. As conditioned, the new cables would be removed at the end of the SYU life so as not to contribute to manmade seafloor structures in perpetuity.

The following mitigation measures will be implemented to reduce the project's potential for impacts on geologic processes and avoid any adverse effects on land and water uses and natural resources of the coastal zone.

GEO-1: Contractors shall be required to utilize current industry standards in engineering designs. Enforcement Agency: MMS, SLC, SBC.

GEO-2: Utilize an ROV that shall monitor selected portions of the installation activities during the cable lay operations. If previously unidentified hard bottom areas are observed, the cable route shall be adjusted, as necessary, with agency approval, to avoid resources. Enforcement Agency: MMS, SLC.

In addition, mitigation measure WQ-3 from another resource section will reduce potential impacts on geologic processes.

. e) Hazardous Materials / Risk of Upset (MND/EA Section 4.15)

Table RMM-5 of the MND/EA presents the upset events, probabilities, impact classifications, mitigation measures, and residual impacts with mitigation measures for the upset events that were assessed for this project. The classification of impacts as potentially significant for Upset Events 1 and 2 is based on SBC's environmental impact significance criteria (any reportable oil spill is considered potentially significant). The MMS considers potential impacts from the incidental spillage of petroleum hydrocarbons from the DP and support vessel or incidental fuel oil spills to be insignificant. With proper planning, procedures, and safety plans, as well as good vessel housekeeping operations, all potentially significant impacts can be mitigated to insignificant levels.

The proposed project is not expected to significantly contribute to risk of upset conditions on a cumulative basis. Risks associated with the cable installation and retrieval operation in conjunction with ongoing SYU operations are described in MND/EA Section 4.15.2. There are no other offshore operations expected to take place during the cable-laying and removal operations in this area.

The following mitigation measures will be implemented to reduce the project's potential for impacts related to hazardous materials and upsets to insignificant levels and avoid adverse effects to land and water uses and natural resources of the coastal zone.

Mitigation Measures for Potential Upset Event 1 – Incidental Spills of Lubricating Oils, Hydraulic Fluids, and Waste Oils

RMM-1. ExxonMobil shall ensure that all construction contractors maintain good housekeeping practices to avoid washing of lubricants or other hydrocarbons from deck into the ocean or dropping of debris overboard. All lubricating oils, hydraulic fluids, waste oils and related materials shall be stored in contained areas. Enforcement Agency: MMS, SLC.

RMM-2. ExxonMobil shall ensure that all materials related to cable pulling and laying operations are loaded on the DP vessel at applicable port locations and transfer of materials at sea should be avoided to the extent feasible. No crane lifts of materials and equipment shall be made over operating pipelines and power cables. Enforcement Agency: MMS, SLC, SBC

RMM-3. ExxonMobil shall prepare a project-specific Oil Spill Response Plan (OSRP) that clearly identifies responsibilities of contractor and ExxonMobil personnel. The plan shall list and identify the location of oil spill response equipment and response times for deployment. The plan shall be submitted to the MMS, SLC and SBC at least 60 days prior to commencement of cable installation and removal operations. Enforcement Agency: MMS, SLC, SBC.

RMM-4. ExxonMobil shall provide OSPR training to primary contractors and sub-contractors to ensure clear understanding of responsibilities and prompt oil spill response procedures. If any
contractors are to be responsible for boom deployment, ExxonMobil shall conduct a boom deployment drill prior to commencement of power cable removal and installation operations. ExxonMobil shall notify MMS at least 72 hours before the drill so MMS can witness boom deployment operations. Enforcement Agency: MMS, SLC, SBC.

Mitigation Measure for Potential Upset Event 2 - Incidental Fuel Oil Spills

RMM-5. ExxonMobil shall refuel all vessels involved in the project at onshore facilities (ports/piers) or according to an agency approved refueling plan. The plan shall be submitted to MMS, SLC, and SBC for review and approval at least 60 day prior to construction commencement. There shall be no boat-to-boat fuel transfers, with the exception of skiffs on the DP Lay vessel, which are only fueled when on the vessel. Enforcement Agency: MMS, SLC, SBC.

Mitigation Measures for Potential Upset Event 3 – Anchoring Accidents

RMM-6. ExxonMobil shall set all anchors a minimum of 250 feet (75 meters) from active pipelines and power cables. Enforcement Agency: SLC, MMS.

RMM-7. ExxonMobil shall submit an Anchoring Plan to SLC and MMS at least 60 days prior to commencement of cable installation and removal operations and to SBC for review and approval prior to approval of the Coastal Development Permit. The plan shall list all of the vessels that will anchor during the project and the number and size of anchors to be set. The plan shall include detailed maps showing anchoring sites identified during the pre-construction biological surveys, including re-positioning of anchor 1-C to ensure that it is at least 40 feet (12 m) from rocky habitat. The plan shall also describe the navigation equipment that would be used to ensure anchors are accurately set and anchor handling procedures that would be followed to prevent or minimize anchor dragging. Enforcement Agency: MMS, SLC, SBC.

Mitigation Measures for Potential Upset Event 4 – Accidental Release of the Cable and Damage to Nearby Structures

RMM-8. ExxonMobil shall prepare a Critical Operations and Curtailment Plan for offshore cable installation and removal operations that describes weather and sea conditions that would require curtailment of operations. The plan shall be submitted to MMS, SLC, and SBC at least 60 days prior to commencement of the cable installation and removal operations. Enforcement Agency: MMS, SLC, SBC.

RMM-9. ExxonMobil shall prepare and submit a Cable Release Prevention Plan which details the specific measures to be taken at all locations where a cable is suspended and could fail and fall to the ocean floor. The plan shall detail design measures, engineering measures, safety measures, and redundancy in safety

equipment. The plan shall be submitted to MMS and SLC at least 90 days prior to construction and to SBC for review and comment prior to Coastal Development Permit approval. Enforcement Agency: MMS, SLC, SBC.

Mitigation Measure for Potential Upset Event 6 – Accidental Damage to Pipelines/Cables in the Onshore Tunnel

RMM-10. ExxonMobil shall prepare a Safety Plan for Tunnel Cable Installation and Removal Operations that describes procedures that will followed and safety measures that will be taken to ensure damage to other cables and pipelines does not occur. The plan shall include the method proposed to enable continuous monitoring of cable pull activities in the tunnel. The procedures shall identify activities during which SYU operations will be shutdown. The plan shall include a hazards study evaluation of cable installation and removal operations in the tunnel using an appropriate method (e.g., "What-If" or "Checklist"). The study shall identify potential failure modes, protection devices or systems, safety procedures and redundant safety equipment or measures (levels of protection). Procedures and safety plan shall be submitted to SBC at least 90 days prior to commencement of the project and to the Santa Barbara County System Safety Reliability Review Committee (SSRRC) prior to approval of the Coastal Development Permit. Enforcement Agency: SBC.

RMM-11. ExxonMobil shall prepare an Execution Plan describing cable removal and installation procedures in the onshore tunnel. The plan shall describe measures that will be taken to minimizing the tension/stress that will be placed on cables during cable pulling operations. Detailed plans shall be submitted to SLC and SBC at least 90 days prior to commencement of cable removal and installation operations and to the Santa Barbara County System Safety Reliability Review Committee (SSRRC) prior to approval of the Coastal Development Permit. Enforcement Agency: SBC, SLC.

RMM-12. ExxonMobil shall de-energize the cables and shutdown the oil and gas pipelines in the tunnel during cable pulling operations in the tunnel, unless ExxonMobil can clearly demonstrate to SBC and SLC that cable pulling operations can be performed safely while the cables and pipelines in the tunnel are operating. Enforcement Agency: SBC, SLC.

In addition, mitigation measure Fire-2 from another resource section will also mitigate potential hazardous materials/risk of upset impacts.

f) Public Facilities (MND/EA Section 4.19)

The only public facilities that could potentially be impacted by this repair maintenance project are landfills and/or recycling centers to handle the solid waste generated by the removal of approximately 313 tons (768 cubic yards) of failed cable. ExxonMobil proposes to dispose of the material at a private landfill in Kern County (the Clean Harbors Buttonwillow facility) which has documented capacity for the failed cable. Although recycling does not appear to be feasibly in-state or domestically at this time,

the mitigation measures to be imposed by the regulatory agencies assure that the feasibility of recycling is a continuing consideration thru the life of the SYU Project.

From a cumulative impacts standpoint, the proposed project's contribution of 16 miles (26 km) of cable is not considered a significant impact given the total amount of oil and gas infrastructure present on the Santa Barbara Channel seafloor.

The following mitigation measures will be implemented to further reduce the project's potential for impacts on landfill or recycling facilities to insignificant levels and avoid adverse effects to land and water uses and natural resources of the coastal zone.

PUB-1: Prior to approval of the Santa Barbara County coastal development permit, ExxonMobil shall submit a Recycling Feasibility Analysis for County review and comment. The analysis shall clearly demonstrate and document inquiries made by ExxonMobil and/or its contractors for cable recycling and responses received, including any conditions and/or limitations to recycling. Enforcement Agency: SBC.

PUB-2: ExxonMobil shall submit a Recycling Feasibility Analysis for agency review and approval for the newly installed cable in state waters and onshore as part of its facility-wide abandonment application at the end of the SYU life. Enforcement Agency: SLC, SBC.

g) Transportation / Circulation (MND/EA Section 4.21)

The proposed project would not result in the need for private or public road maintenance or construction nor would the proposed project affect existing parking facilities or create the demand for new facilities. The existing roadways are adequate for the temporary increase in vehicular traffic and parking for onshore and offshore work could be adequately handled through existing parking facilities. No transit systems (including rail) would be impacted as a result of the proposed project as no public roadways would be closed.

Temporary impacts to waterborne traffic may be expected as vessels may be required to modify routes to accommodate project construction vessels. In addition, a temporary increase in helicopter trips would be anticipated. However, these impacts are considered temporary and insignificant.

Impacts from the proposed project would be temporary and localized. The ExxonMobil/POPCO Process Synergy Project could overlap in timing. This would principally affect traffic on Calle Real Road and the entrance to Las Flores Canyon. However, there is currently ample capacity on Calle Real and Highway 101 in this area to handle truck and construction worker traffic for both projects. The proposed project would not substantially contribute to cumulative adverse impacts on transportation or circulation.

The project would not result in any significant impacts to traffic or circulation and no mitigation measures were identified by the MND/EA by the lead agencies or ExxonMobil.

Consistency Conclusion Regarding Development and Industrial Development Policies

As this maintenance repair project is not a new or expanded development, the coastal policies of Articles 6 and 7 regarding new or expanded development are not relevant to this project. Nevertheless, as described above and in the MND/EA incorporated by reference, this project will not significantly affect visual resources, air quality, energy consumption, geologic processes, public facilities or transportation. The risk of upsets also is insignificant and mitigated to the maximum extent feasible. Accordingly, the project is not expected to have adverse effects on any land or water use or natural resources of the coastal zone.

C. Concurrence Request for Consistency

Based on the data and information presented herein and in the MND/EA incorporated into this certification by reference, ExxonMobil respectfully requests that the CCC concur with the conclusion of the lead agencies and ExxonMobil that this maintenance repair project as mitigated will have no significant impacts or adverse effects on natural resources or land and water uses of the coastal zone and is consistent with California coastal policies. Because the mitigation measures to be implemented by ExxonMobil will reduce all potential project impacts to insignificant levels, ExxonMobil believes that a Mitigated No Effects Determination by the CCC is appropriate for this project and respectfully requests that this consistency certification be processed accordingly.