## CALIFORNIA COASTAL COMMISSION

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# Th 13a

December 22, 2011

To:	Commissioners and Interested Persons	Click here to see additional correspondence received.
From:	Alison Dettmer, Deputy Director Robin Blanchfield, Oil Spill Program Coordinator	
Subject:	<b>County of Santa Barbara LCP Minor Amendment (STB-MIN-1-11) Hydraulic</b> <b>Fracturing in New and Existing Wells.</b> Proposed minor amendment to Santa Barbara County's certified Local Coastal Program for Public Hearing and Commission Action at the California Coastal Commission hearing on January 12, 2012, at the Annenberg Community Beach House in Santa Monica, California.	

#### I. Amendment Description

The County of Santa Barbara ("County") has submitted an amendment to the Implementation Program/Coastal Zoning Ordinance portion of its certified Local Coastal Program ("LCP") to: (1) add a definition for hydraulic fracturing<sup>1</sup>; and (2) clarify the permit requirements for any project that proposes to conduct hydraulic fracturing on any new or existing well. These amendments are described in detail in Exhibit A.

This amendment request was deemed complete and filed by the California Coastal Commission staff on December 19, 2011 pursuant to Coastal Act Section 30514(b) and Sections 13554 and 13555 of the Commission's Regulations (California Code of Regulations ("CCR"), Title 14, Division 5.5).

The proposed amendment updates the County's Coastal Zoning Ordinance ("CZO") (Article II, Chapter 35 of the Santa Barbara County Code) with the following specific changes:

- Adds a definition for "hydraulic fracturing" to CZO *Division 2*.
- Clarifies the required permit path for hydraulic fracturing in CZO *Division 9, Oil and Gas Facilities,* as follows:
  - Subsection 1, Applicability of Section 35-152, Onshore Exploratory Oil and Gas Drilling, is amended to explicitly identify that hydraulic fracturing is not a permitted

<sup>&</sup>lt;sup>1</sup> Hydraulic fracturing, also called fracking, is a process applied to some, relatively impermeable, hydrocarbon-bearing formations to stimulate the flow of oil and/or gas. This process involves the pumping of fluids under pressure through the wellbore into the targeted formation; pressures used are high enough to cause the formation to fracture. Water is a typical component of the fracking fluid, along with propping agents, such as sand, to hold the fractures open. Chemicals also are used frequently for a variety of reasons.

use under oil and gas exploration activities.

- Subsection 1, Applicability of Section 35-153, Onshore Oil and Gas Production is amended to explicitly identify that hydraulic fracturing is a permitted use that falls under the permitting requirements of this section and is subject to the same permit processes – approval of a Production Plan, Coastal Development Permit, and in some zone districts, a Conditional Use Permit.
- Subsection 1, Applicability of Section 35-158, Onshore Exploration and/or Production of Offshore Oil and Gas Reservoirs, is amended to explicitly identify that hydraulic fracturing is a permitted use that falls under the permitting requirements of this section and is subject to approval of a Production Plan, Coastal Development Permit, and in some zone districts, a Conditional Use Permit.

#### **II. Executive Director Determination**

Based on the review of submitted materials, the Executive Director has determined that the proposed LCP amendment qualifies as a minor amendment. Title 14 Section 13554(a) of the California Code of Regulations ("14 CCR") defines a minor amendment to a certified zoning ordinance as:

Changes in wording, which makes the use as designated in the zoning ordinance, zoning district maps or other implementing actions more specific and which do not change the kind, location, intensity, or density of use and which are found by the [E]xecutive [D]irector of the Commission or the Commission to be consistent with the land use plan as certified by the Commission.

The proposed amendment is consistent with the County's certified land use plan and is not changing the kind, location, intensity, or density of use. The proposed amendments simply add specificity to the existing permitted use and conditionally permitted use requirements designated in the CZO for oil and gas exploration and production projects in the coastal zone.

The existing CZO requires that a detailed Exploration and Production Plan shall be reviewed and approved by the County Planning Commission prior to the issuance of a Coastal Development Permit for any development related to oil and gas exploration or production, respectively. The proposed amendment adds language to CZO Section 35-152 to clearly specify that hydraulic fracturing is not an allowed permitted use under exploratory oil and gas drilling activities. The proposed amendment also adds language to CZO Sections 35-153 and 35-158 that explicitly clarifies that if an oil and gas production project seeks to conduct hydraulic fracturing at any time, whether it is from an existing or new well, then the subject activity must be specifically described in the Production Plan that was approved for the issued CDP, or an amended Production Plan and new CDP is required.

Therefore, for the reasons stated above, the Executive Director, has determined that the proposed amendment qualifies as a minor amendment, as defined in 14 CCR Section 13554(a).

#### **III. Public Notice and Procedural Requirements**

In accordance with 14 CCR Section 13555, the Executive Director will report this "minor amendment" determination to the Coastal Commission at its next meeting on January 12, 2012 at the Annenberg Community Beach House in Santa Monica, California. At this meeting, the Executive Director will also report any objections to the determination that are received within ten working days of the posting of this notice.

Pursuant to 14 CCR Section 13551(b), a local government's resolution for submittal of a proposed LCP Amendment must indicate whether the local coastal program amendment will require formal local government adoption after Commission approval, or is an amendment that will take effect automatically upon the Commission's approval pursuant to the Public Resources Code Sections 30512, 30513, and 30519. In this case, the County has submitted the amendment as one that will take effect automatically upon approval by the Commission, unless one-third of the appointed members of the Commission request that it be processed as a major LCP amendment (CCR Section 13555(a)).

Coastal Act Section 30503 requires that maximum opportunities for public input be provided in the preparation, approval and certification of any amendment to a certified LCP. Notice of the proposed amendment has been distributed to all known parties in accordance with 14 CCR Sections 13515 and 13552. The County held public hearings on the proposed CZO changes on November 9, 2011 and December 6, 2011.<sup>2</sup> The hearings were noticed to the public consistent with 14 CCR 13515 and the County provided evidence of the measures taken to provide notice of their hearings, consistent with 14 CCR Section 13552.

#### **IV. Notification and Objections**

Notification of the proposed amendment will be mailed on December 23, 2011. The ten-day objection period will therefore terminate on January 10, 2012; please register any objections by that date. The Commission will be notified at the January 12, 2012 meeting of any objections.

For information, please contact Robin Blanchfield in the Coastal Commission's Energy and Ocean Resources Unit at 415-904-5247, <u>rblanchfield@coastal.ca.gov</u>, or at the address listed in the letterhead.

<sup>&</sup>lt;sup>2</sup> The California Independent Petroleum Association ("CIPA") submitted the only comment letter that the County received regarding this amendment. The concerns raised in the CIPA letter, however, are only relevant to the portion of the County's amendment that would apply outside of the coastal zone.

County of Santa Barbara Minor LCP Amendment STB-MIN-1-11 Minor Amendments to the Coastal Zoning Ordinance: Division 2, Definitions, and Division 9, Oil and Gas Facilities

### V. Attachments

Exhibit A: Ordinance 4818: An Ordinance Amending Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the County Code, by Amending Division 2, Definitions, and Division 9, Oil and Gas Facilities, to Clarify the Required Permit for Hydraulic Fracturing of any New or Existing Oil and/or Gas Well. (The ordinance was approved by the Board of Supervisors of the County of Santa Barbara on December 6, 2011.)

# EXHIBIT A

#### ORDINANCE NO. 4818

AN ORDINANCE AMENDING ARTICLE II, THE SANTA BARBARA COUNTY COASTAL ZONING ORDINANCE, OF CHAPTER 35, ZONING, OF THE COUNTY CODE BY AMENDING DIVISION 2, DEFINITIONS, AND DIVISION 9, OIL AND GAS FACILITIES, TO CLARIFY THE REQUIRED PERMIT FOR HYDRAULIC FRACTURING OF ANY NEW OR EXISTING OIL AND/OR GAS WELL.

#### Case No. 11ORD-00000-00023

The Board of Supervisors of the County of Santa Barbara ordains as follows:

**SECTION 1:** DIVISION 2, Definitions of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to amend Section 35-58, Definitions, to add the definition of "Hydraulic Fracturing" to read as follows:

**OIL/GAS HYDRAULIC FRACTURING.** A well stimulation technique that consists of pumping fluid, typically with a propping agent such as sand, down the wellbore under pressure to create or enlarge fractures in a targeted formation.

**SECTION 2:** DIVISION 9, Oil and Gas Facilities, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to amend Subsection 1, Applicability, of Section 35-152, Onshore Exploratory Oil and Gas Drilling, to amend the existing definitions of "Oil and Gas Exploration" to read as follows:

1. Applicability. The specific regulations contained within this section shall apply to all equipment, buildings, and appurtenance necessary for the exploration for oil and gas resources from an onshore hydrocarbon area outside the limits of an established oil field. Hydraulic fracturing of any new or existing well shall not be an allowed use under this section. For all districts in which exploratory drilling is a permitted use or a use permitted with a Conditional Use Permit, the district regulations of Division 4 shall be inapplicable to said use.

**SECTION 3:** DIVISION 9, Oil and Gas Facilities, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to amend Subsection 1, Applicability, of Section 35-153, Onshore Oil and Gas Production, to amend the existing definitions of "Oil and Gas Exploration" to read as follows:

1. Applicability. For all districts in which oil and gas production and related facilities are permitted uses or uses permitted with a Conditional Use Permit, the district regulations of Division 4 shall be inapplicable to said use.

The specific regulations contained within this section shall apply to the production of oil and gas from an onshore hydrocarbon area and related facilities, equipment, buildings, or appurtenances including:

- a. Drilling a new well or re-entering a previously abandoned well for the production of petroleum.
- b. Structures, equipment, or facilities necessary and incidental to dehydration and/or

Case No. 11ORD-00000-00023 County CZO Hydraulic Fracturing Ordinance Amendment Page 2

separation of oil, gas and condensate obtained from an onshore hydrocarbon area.

- c. Injection wells and incidental equipment necessary for enhanced oil recovery or disposal of production wastes.
- d. Equipment and facilities necessary for enhanced oil recovery including waterflooding, steam injection, air injection, carbon dioxide injection, or introduction of polymers, or other agents.
- e. Pipelines located within an onshore oil and gas lease area which are necessary for oil and gas production operations.
- f. Storage tanks necessary or incidental to separation/treatment of oil and gas, or temporary storage of separated hydrocarbons, and equipment for transfer of the produced hydrocarbons to pipelines or tanker trucks.
- g. Access roads.
- h. Oil spill containment and recovery equipment including central office space and vehicles for the storage of floating oil/water separators, pumps, generators, hosing, assorted absorbent materials, steam cleaners, storage tanks, and other land and wildlife clean-up equipment.
- i. Hydraulic fracturing of any new or existing well.

**SECTION 4**: DIVISION 9, Oil and Gas Facilities, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the Santa Barbara County Code, is amended to amend Subsection 1, Applicability, of Section 35-158, Onshore Exploration and/or Production of Offshore Oil and Gas Reservoirs, to amend the existing definitions of "Oil and Gas Exploration" to read as follows:

- 1. Applicability. (Amended by Ord. 4602, 3/21/06)
  - a. Onshore exploration and/or production of offshore oil and gas reservoirs within the South Coast Consolidation Planning Area shall be restricted to sites designated in the Coastal Plan as consolidated oil and gas processing sites.
  - b. The specific regulations contained within this section shall apply to all equipment, buildings, activities and appurtenances necessary for the exploration and production of offshore oil and gas reservoirs from an onshore location including:
    - 1) Collocated structures, equipment, or facilities necessary and incidental to drilling, dehydration and separation of oil, gas and condensate obtained from an offshore oil and/or gas reservoir including secondary recovery methods as set forth in Section 25-31 of the County Code.
    - 2) Injection wells and incidental equipment necessary for gas reinjection or disposal of oil and gas exploration and production wastes.
    - 3) Surge tanks necessary or incidental to separation and dehydration of oil and gas at the drill site and pipeline transportation to processing facilities.

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- 4) Temporary storage facilities required during exploration, during emergency circumstances, during remediation of contaminated soils, and during abandonment.
- 5) Access roads and staging areas.

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- 6) Oil spill containment and recovery equipment including central office space and vehicles for the storage of floating oil/water separators, pumps, generators, hosing, assorted absorbent materials, steam cleaners, storage tanks, and other land and wildlife clean-up equipment.
- 7) Hydraulic fracturing of any new or existing well.
- c. The specific regulations contained within this section shall not apply to the injection, storage or withdrawal of natural gas from the Southern California Gas Company's storage field in Goleta, as described in Section 35-88.11 and regulated under the PU Zone District.

<u>SECTION</u> 5: All existing indices, section references, and figure and table numbers contained in Article II, the Coastal Zoning Ordinance, of Chapter 35. Zoning, are hereby revised and renumbered as appropriate to reflect the revisions enumerated above.

**SECTION 6:** Except as amended by this Ordinance, Division 2, Definitions, and Division 9, Oil and Gas Facilities, of Article II, the Santa Barbara County Coastal Zoning Ordinance, of Chapter 35, Zoning, of the County Code, shall remain unchanged and shall continue in full force and effect.

**SECTION 7:** This ordinance and any portion of it approved by the Coastal Commission shall take effect and be in force 30 days from the date of its passage or upon the date that it is certified by the Coastal Commission pursuant to Public Resources Code 30514, whichever occurs later; and before the expiration of 15 days after its passage, it, or a summary of it, shall be published once, together with the names of the members of the Board of Supervisors voting for and against the same in the Santa Barbara News-Press, a newspaper of general circulation published in the County of Santa Barbara.

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PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this 6th day of December, 2011, by the following vote:

AYES: Supervisor Carbajal, Supervisor Wolf, Supervisor Farr, Supervisor Gray, Supervisor Lavagnino

NOES: None

ABSTAINED: None

ABSENT: None

JONI GR

Chair Board of Supervisors County of Santa Barbara

ATTEST:

CHANDRA L. WALLAR Clerk of the Board of Supervisors

Deputy Clerk

APPROVED AS TO FORM:

DENNIS A. MARSHALL County Counsel

William M. Dillon Deputy County Counsel

This is a true certified copy of the original document on file or of record in my office. It bears the seal and signature, imprinted in purple ink, of the Clerk of the Board of Supervisors.



C. mandra Clerk of the Board, Santa Barbara County Califo Date 12-12-11 by Deputy:

Agenda Item Th 13a

Th 13a



January 6, 2012

Mary K. Shellenberger, Chair California Coastal Commission 45 Fremont Street San Francisco, California 94105

#### RE: <u>County of Santa Barbara LCP Minor Amendment (STB-MIN-1-11)</u> Hydraulic Fracturing In New And Existing Wells

Dear Chair Shellenberger and Honorable Comissioners,

The Environmental Defense Center (EDC), on behalf of the Carpinteria Valley Association (CVA), Get Oil Out! (GOO!), the Los Padres Sierra Club (Sierra Club) and the Santa Barbara County Action Network (SBCAN), offers the following comments for your January 12, 2012, meeting. For your consideration is Agenda Item Th 13a regarding proposed minor amendments to the Santa Barbara County Local Coastal Program (LCP) related to hydraulic fracturing (or "fracking").

CVA is a non-profit public interest group comprised of area residents who participate in issues that affect the community of Carpinteria, including land use issues and issues affecting water use, habitats, open spaces and the quality of life in Carpinteria. GOO! is a non-profit corporation whose mission is to protect the natural environment and beauty of the Santa Barbara Channel from the adverse effects of oil development. Sierra Club's conservation interests encompass everything from National Forest Wilderness areas of the Santa Ynez Mountains to the Channel Islands National Park in the Santa Barbara Channel. Sierra Club's activities range from traditional concerns with forest management and wilderness to urban issues including growing problems with land use and energy development. SBCAN works within Santa Barbara County to promote social and economic justice, to preserve environmental and agricultural resources, and to create sustainable communities. EDC is a non-profit public interest law firm that represents community organizations in environmental matters affecting California's south central coast.

Our organizations are in complete support of the County of Santa Barbara's efforts to regulate fracking and its incidental processes and waste products. Santa Barbara has already hosted some of the first fracking wells in California, and residents throughout the County are at risk from this invasive practice. Impacts associated with

906 Garden Street, Santa Barbara, CA 93101 Phone (805) 963-1622 FAX (805) 962-3152 www.EDCnet.org January 6, 2012 County of Santa Barbara Minor LCP Amendment RE: Hydraulic-Fracturing Page 2 of 2

fracking include surface and groundwater pollution, air pollution and increased rates of subsidence and/or earthquakes.

The County's proposed minor amendment confirms that hydraulic fracturing requires approval of an Oil Drilling and Production Plan. We appreciate this acknowledgement that any future application to frack a well will require environmental review under the California Environmental Quality Act (CEQA), including the disclosure of pertinent information necessary to assess potential impacts to public health and safety, and the environment. Disclosure of the hazardous and toxic constituents of the fracking process is a critical safeguard. A comprehensive list of the potentially hazardous and/or toxic constituents used to frack should be included in the Project Description section of any environmental review documents associated with fracking.

With the failure of state agencies to act on this critical issue, it is incumbent upon our local governments to stringently regulate the practice of fracking to the extent of their land use authority and inherent police powers. We applaud the County of Santa Barbara for taking action to protect our environment and the health of our communities, and we urge you to ratify their important efforts.

Respectfully submitted,

/s/

Nathan G. Alley Staff Attorney

/s/

Brian P. Segee Staff Attorney

 cc: Carpinteria Valley Association Get Oil Out! Los Padres Sierra Club Santa Barbara County Action Network County of Santa Barbara