

CALIFORNIA COASTAL COMMISSION

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**SENT VIA REGULAR, CERTIFIED, AND ELECTRONIC MAIL**

11/12/2024

Sable Offshore Corp.
12000 Calle Real
Goleta, CA 93117

Subject: **Executive Director Cease and Desist Order No. ED-24-CD-02**

Date Issued: 11/12/2024

Expiration Date: 02/10/2024

Violation File No: V-9-24-0152

Property Location: Various open pit locations located along the existing Las Flores Pipelines CA-324 and CA-325¹ (previously known as Lines 901 and 903), where portions of the pipeline have been exposed, within the Coastal Zone between the Gaviota coast and the Las Padres National Forest, in Santa Barbara County, as well as areas surrounding those open pit locations, and any other areas impacted by the development activities at issue here.

Violations: Unpermitted development in the Coastal Zone including, but not necessarily limited to, excavation with heavy equipment; removal of major vegetation; grading and widening of roads; installation of metal plates over water courses; dewatering and discharge of water; pipeline removal, replacement, and reinforcement; installation of safety valves; and other development associated with Las Flores Pipelines CA-324 and CA-325²

¹ The Las Flores Pipeline spans multiple properties, including those designated with the following Assessor's Parcel Numbers, all of which have open pits with exposed pipe in them: 081-230-021; 081-150-006; 081-150-007; 081-150-032; 081-150-033; 081-150-002; 081-150-028; 081-140-019; 081-140-025.

² Please note that the description herein of the violations at issue is not necessarily a complete list of all unpermitted development on the properties in violation of the Coastal Act.

I. ORDER

Pursuant to my authority under California Public Resources Code (“PRC”) Section 30809, as the Executive Director of the California Coastal Commission (“Commission”), I hereby issue this Executive Director Cease and Desist Order (“EDCDO” or “this Order”), which orders you, Sable Offshore Corp. (“Sable”), as the owner and operator of Las Flores Pipelines CA-324 and CA-325, to cease and desist from undertaking any further unpermitted development and immediately undertake steps necessary to avoid irreparable injury to the properties at issue in this order until formal Commission action can occur. Those steps include, among other things, safely securing and stabilizing open pits (“Open Sites”) along the existing Las Flores Pipelines CA-324 and CA-325 within the Coastal Zone (“Pipelines”) and the immediately surrounding areas so as to prevent potentially significant damage to coastal resources until you have received a final coastal development permit³ for further development or the Commission issues an order to restore the site or otherwise takes action to bring the site into a state that is safe and consistent with the law.

Compliance with the following terms is intended to ensure that all unpermitted development described in Section IV, below, remains halted, ensuring that further damaging effects to coastal resources are avoided, while Sable secures the sites and seeks authorization from the Commission for past and future (proposed) development, and/or for any steps needed restore the site. A future Commission action will likely be needed on a longer-term enforceable document addressing any remaining unpermitted development, any further or longer term remedial steps needed to be taken along the Pipelines, and potentially addressing other enforcement-related matters such as penalties, but this Order provides a more immediate and enforceable mechanism and framework for ensuring the Open Sites are safely secured in the interim.⁴

In addition, and more specifically, I hereby order you to comply with the following terms and conditions to avoid irreparable injury to the Open Sites and surrounding areas, pending any possible action by the Commission under PRC Sections 30810 and 30811 of the Coastal Act⁵:

³ A “final” coastal development permit as used here means one that is: (a) no longer subject to appeal, either within the County system or to the Commission, and whether because the time period for such appeals has elapsed or because all such appeals have been completed; and also (b) no longer subject to judicial review, again whether because the statute of limitations for such a challenge has elapsed or because all such challenges have proceeded to completion.

⁴ Please note that the description herein of the violation at issue is not necessarily a complete list of all development on the subject property that is in violation of the Coastal Act that may be of concern to the Commission. Accordingly, you should not treat the Commission’s silence regarding (or failure to address) other development on the subject property as indicative of Commission acceptance of, or acquiescence in, any such development. Please further note that the term “violation,” as used throughout this letter, refers to alleged violations of the Coastal Act.

⁵ The Coastal Act is codified in PRC sections 30,000 *et seq.*

1. Cease and desist from conducting any further unpermitted development at the Open Sites with the exception of conducting remedial measures, to ensure intermediate securing of the Open Sites, as authorized and required by this Order.
2. Within 3 days of the effective date of this EDCDO, submit an Interim Restoration Plan (“Interim Plan”) for the review and approval of the Executive Director of the Commission (the “Executive Director”), that will provide for steps for the interim securing of the Open Sites, including backfilling of the Open Sites, pending the securing of Coastal Act authorization for further development. Implement to completion, and consistent with its terms, the approved version of the Interim Plan, which shall include the following components, and a schedule for setting forth the time frame for commencing and completing each of the following:
 - a. Interim Erosion Control Plan
 - i. Within 3 days of the Effective Date of this EDCDO, Sable shall submit an Interim Erosion Control Plan.
 1. The Interim Erosion Control Plan shall be prepared by a qualified Restoration Specialist to address ground disturbance and prevent erosion during and after activities undertaken to safely secure the Pipelines under this Interim Plan, and shall include: 1) a narrative report describing all temporary run-off and erosion control measures to be used including replacement and/or recompaction of any excavated materials, and restorative grading to be done during and after removal/restoration activities; and 2) a site plan identifying and delineating the locations of all temporary erosion control measures that will be installed pursuant to this plan, including seeding of location-appropriate plant species to assist in erosion control.
 2. The Interim Erosion Control Plan will include a proposal that will provide a detailed work plan as to the steps to be taken to secure Open Sites, including backfilling the Open Sites with native soil from their respective excavations and compacting the soil, as needed, to achieve a level grade.
 3. The Interim Erosion Control Plan shall indicate that all erosion control measures are required to be installed and fully functional in the area impacted by the unpermitted development prior to, or concurrent with, the initial activities required by this EDCDO and maintained at all times throughout the term of the EDCDO, to minimize erosion across the site.

4. The Interim Erosion Control Plan shall demonstrate that Sable will strategically place and maintain security fencing to ensure that the Open Sites are safely secured, thereby preventing any potential access to the sites, and further disturbance to biological and coastal resources as well as to protect against adverse impacts to humans, wildlife and other animals.
5. The Interim Erosion Control Plan shall also include installation of appropriate erosion control BMPs in, and around, areas where vegetation was mowed or removed, and applying a hydroseed mix comprised of appropriate native plant species.
6. The Interim Control Erosion Plan shall include the following deadlines:
 - a. Implement and complete the approved version of the Interim Plan within 7 days of its approval by the Executive Director
 - b. Submit, within 5 days from completion of the work required under the Interim Plan, a report, including photographic evidence, documenting the completion of the work authorized by this EDCDO. If, after reviewing the report required by this EDCDO, the Executive Director determines that the work required by this EDCDO failed in whole or in part, Sable shall undertake any work that is required to ensure compliance with the approved plans or the requirements of this EDCDO.

3. Use of Equipment

- a. The Interim Plan shall include a detailed description of all equipment to be used. It is understood that mechanized equipment will likely need to be used to complete the activities required to implement the Interim Plan. The Interim Plan shall prohibit mechanized equipment that adversely impacts coastal resources, including wetlands and ESHA, protected under the Coastal Act. The Interim Plan shall include limitations on the hours of operations for all equipment.
- b. The Interim Plan shall provide for BMPs to govern the work required in the plan and include a contingency plan that addresses, at a minimum: 1)

impacts from equipment use; 2) potential spills of fuel or other hazardous releases that may result from the use of mechanized equipment and responses thereto; 3) impacts from equipment and worksite lighting, 4) impacts from equipment sound; and 5) all water quality concerns. The Interim Plan shall designate areas for staging of any construction equipment and materials including receptacles and temporary stockpiles of materials. All stockpiles and construction materials shall be covered, enclosed on all sides, located as far away as possible from drain inlets and any waterway, and shall not be stored in contact with the soil.

- c. The Interim Plan shall specify that no demolition or construction materials, debris, or waste shall be placed or stored where they may enter sensitive habitat including wetlands, receiving waters, or a storm drain, or be subject to wind or runoff erosion and dispersion.
4. Within 120 days from effective date of this EDCDO, apply for a CDP for any proposed future work to be undertaken along the Pipelines, as well as for after-the-fact ("ATF") authorization for unpermitted development that has already occurred, by submitting a complete CDP application to Santa Barbara County for any development in its Coastal Act permitting jurisdiction and to the California Coastal Commission for any development in its retained permitting jurisdiction, or by submitting a consolidated permit application to the California Coastal Commission for all such development, if consistent with PRC section 30601.3. The CDP application(s) must include, at minimum, detailed site plans, information on the amount of grading (cut, fill, export) involved, Best Management Practices ("BMPs") to govern the work, wetland and environmentally sensitive habitat area ("ESHA") delineations for any wetlands or ESHA within 100 feet of any of the work, and results of both biological and cultural resource surveys of all areas potentially affected by the unpermitted and proposed development activities.
5. Any submittal to be provided to the Executive Director pursuant to this Order shall be provided by mail to the attention of Stephanie Cook at 455 Market Street, Suite 300, San Francisco CA 94107, with a copy sent via email to Stephanie Cook at Stephanie.Cook@Coastal.ca.gov and Wesley Horn at Wesley.Horn@Coastal.Ca.gov.

II. ENTITIES SUBJECT TO THE ORDER

The parties whose actions or inactions are subject to this Order are Sable Offshore Corp; all employees, agents, and contractors of the foregoing; and any other person or entity acting in concert with the foregoing.

III. IDENTIFICATION OF THE PROPERTIES

The properties⁶ that are the subject of this Order, including the various Open Sites, areas surrounded by the Open Sites, and any other areas impacted by the development activities at issue here, are located along the Coastal Zone portion of existing Las Flores Pipeline CA-324 and CA-325 (previously known as Lines 901 and 903), which extends from the Gaviota coast to the Las Padres National Forest within Santa Barbara County.

IV. DESCRIPTION OF THE VIOLATIONS

The Coastal Act violations addressed by this Order⁷ involve development that has occurred in the Coastal Zone without the requisite Coastal act authorization, including, but not necessarily limited to, excavation with heavy equipment; removal of major vegetation; grading and widening of roads; installation of metal plates over water courses; dewatering and discharge of water; pipeline removal, replacement, and reinforcement; installation of safety valves; and other development associated with the Las Flores Pipelines CA-324 and CA-325.

V. COMMISSION AUTHORITY TO ACT

The Executive Director is issuing this Order pursuant to her authority under PRC Section 30809, including, but not necessarily limited to, subdivision (a)(2) thereof.

VI. EXECUTIVE DIRECTOR'S FINDINGS

As the Executive Director of the Commission, I am issuing this Order pursuant to my authority under PRC Sections 30809(a) to prevent further significant damage to coastal resources that, without this order, would be likely to occur as a result of the current state of the Open Sites, and likely to be exacerbated by the upcoming rainy season. As such, this order requires Sable to take immediate steps to secure the Open Sites and submit a complete CDP application seeking Coastal Act authorization for all proposed future development along the Pipelines, as well as ATF authorization for any work that has already occurred.

Commission enforcement staff informed Sable of the violations of the Coastal Act in an initial Notice of Violation letter sent to Sable on September 27, 2024, in a follow-up letter sent October 4, 2024, and in multiple virtual meetings over the course of the following weeks. A more detailed recitation of the history is provided below.

With limited exceptions not applicable here, PRC Section 30600(a) states that, in addition to obtaining any other permit required by law, any person wishing to perform or undertake any development in the coastal zone must obtain a CDP. "Development" is defined by Section 30106 of the Coastal Act as follows:

⁶ See footnote 1

⁷ See footnote 2.

"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code), and any other division of land, including lot splits, except where the land division is brought about in connection with the purchase of such land by a public agency for public recreational use; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility..." (emphasis added)

The Development described herein clearly constitutes "development" within the meaning of the above-quoted definition and therefore requires a CDP. Sable has not submitted an application for a CDP for any proposed future work, nor has Sable submitted any ATF application for work previously undertaken along the Pipelines and within the Coastal Zone. Because of the potential for significant damage to coastal resources, and inherent danger in leaving the Open Sites in their current state, particularly in light of the upcoming rainy season, this Order is necessary to ensure the Open Sites are quickly and safely secured.

As a jurisdictional requirement to issue this Order, I have determined that Sable has undertaken or is threatening to undertake development that may require a CDP, without first securing a CDP.

On October 4, 2024, I notified Sable of my intent to issue an Executive Director CDO pursuant to PRC section 30809 if certain information and assurances were not provided in a satisfactory manner. More specifically, in that letter, I requested detailed information as to the work that Sable has undertaken at the site, as well as proposed measures to temporarily secure the site, specific project plans, and written confirmation of their commitment to apply for an ATF CDP. Sable has failed to satisfactorily provide the information requested and has further failed to provide written confirmation of such intent.

On September 27, 2024, Commission staff sent a "Notice of Violation" letter informing Sable that the Commission had become aware of unpermitted activities taking place within the Coastal Zone, including excavation with heavy machinery, grading, and other activities at various locations along the Pipelines, apparently in connection with a proposed restart of the Santa Ynez Unit, consisting of three offshore platforms, Las Flores Canyon processing facility, and associated electrical transmission and onshore and offshore oil and gas transport pipelines. Commission staff requested Sable immediately cease all unpermitted development within the Coastal Zone, including all activities associated with Lines 324 and 325, as well as any potential development activities taking place along the offshore platforms and pipelines. Commission staff

further detailed the need for Coastal Act authorization for any development in the Coastal Zone, which should be sought through the submittal of an application(s) for the required CDP(s). On October 1, 2024, Sable met with Commission staff to further discuss the Coastal Act violations, and steps necessary to secure the Open Sites. In this conversation, Commission staff emphasized the need for additional information before any further work, including interim steps to secure the site, could be taken, and that legal authorization was needed. Nonetheless, on October 2, 2024, Sable emailed Commission staff and said work on Pipelines CA-324 and CA-325 within the Coastal Zone had been suspended, "subject to taking interim measures" they characterized as "necessary to stabilize the sites". In response, Commission staff met with Sable, on October 3, 2024, to, again, discuss the Open Sites and reiterate that whatever they apparently were calling interim measures was also development needing Coastal Act authorization, and that work must stop entirely, pending some legal authorization and offered to work with Sable to reach such agreement on interim authorization. On October 4, 2024, Commission staff sent a letter to Sable providing formal notice of the Executive Director's intent to issue an order, if necessary, to halt the ongoing project work and also to provide for a plan for site stabilization, and requested written assurances, by 2:00 pm that day, that Sable had, in fact ceased work entirely. Before this deadline, Sable emailed Commission staff confirming that all work, including what they were calling interim measures, had ceased. Unfortunately, Commission staff were subsequently informed that work along the Pipelines had not ceased. In response, Commission staff sent an additional email at 3pm on October 4, 2024, informing Sable that staff continued to receive reports stating that work was ongoing and asked that Sable confirm that work had fully stopped to which Sable responded to say they had "confirmed with field that all work has stopped."

Our October 4, 2024, letter additionally requested that information relating to the work being conducted along the Pipelines be submitted by 5:00 pm on October 7, 2024, and further requested that Sable provide written confirmation of intent to apply for a CDP(s) seeking ATF authorization for any work that had already occurred in the Coastal Zone and prospective authorization for any proposed future work. On October 7, 2024, Commission staff received an email from Sable providing a spreadsheet detailing the location of current open pit sites, but that stated that a full response to the information request could not be completed and that more time was needed. On October 8, 2024, Sable sent Commission staff a follow-up document which provided additional information as to work that had been undertaken at the Open Sites and steps required to fully complete the work at each site. However, no information was provided as to potential steps that could be taken to secure the sites temporarily but, instead, only information as to steps necessary to fully complete the project were given. In this document, Sable provided that project plans were in process, however Commission staff have yet to receive any full-scale work plans.

In the following weeks, Commission staff have had multiple virtual meetings and phone calls with Sable and their representatives to discuss the additional requested information, the existing state of the Open Sites, and potential paths forward. Much of these conversations have focused on the current state of the Open Sites and potential

interim steps to be taken to mitigate further damage to the coastal zone during the period of time needed for Sable to apply for CDPs, as detailed above. However, Sable has yet to satisfactorily provide, as required by PRC Section 30809, detailed information as requested in our October 4 letter, and remains unwilling to provide written confirmation as to commitment to apply for an ATF CDP for work previously undertaken within the Coastal Zone. During these conversations, Commission staff discussed with Sable a potential path forward, to ensure the sites could be safely, and legally, secured during the period of time needed for Sable to apply for CDPs as detailed above, through issuance of a Consent Cease and Desist Order. Unfortunately, Commission staff and Sable were unable to reach mutually agreeable terms.

VII. COMPLIANCE OBLIGATION

Strict compliance by the parties subject to this Order is required. Failure to comply with any term or condition of this Order, including any deadline contained herein will constitute a violation of this Order and subject the parties to exposure for penalties under section 30821.6. However, pursuant to PRC Section 30803(b), any person or entity to whom this Order is issued may file a petition with the Superior Court and seek a stay of this Order.

VIII. EFFECTIVE DATE

This Order shall be effective upon its issuance and shall expire 90 days from the date issued on 11/12/2024 unless extended consistent with the applicable regulations.

Should you have any questions regarding this matter, please contact Stephanie Cook at Stephanie.Cook@Coastal.ca.gov or Wesley Horn at Wesley.Horn@Coastal.ca.gov.

Signed,



Kate Huckelbridge
Executive Director
California Coastal Commission

Date: 11/12/2024

Enclosure:

Cc: Lisa Haage, Chief of Enforcement
Aaron McLendon, Deputy Chief of Enforcement

Sable Offshore Corp.

11/11/2024

Page 10 of 10

Alex Helperin, Deputy Chief Counsel
Wesley Horn, Environmental Scientist
Stephanie Cook, Enforcement Counsel