



## BOARD OF SUPERVISORS AGENDA LETTER

Agenda Number:

Clerk of the Board of Supervisors  
105 E. Anapamu Street, Suite 407  
Santa Barbara, CA 93101  
(805) 568-2240

Department Name: Planning & Development  
Department No.: 053  
For Agenda Of: June 25, 2013  
Placement: Departmental  
Estimated Time: 1 hour  
Continued Item: No  
If Yes, date from:  
Vote Required: Majority

---

**TO:** Board of Supervisors  
**FROM:** Department Director: Glenn Russell, Ph.D. (805) 568-2085  
Contact Info: Doug Anthony, Deputy Director (805) 568-2046  
**SUBJECT:** Southern California Gas Company La Goleta Storage Field Enhancement Project,  
Case Nos. 12RVP-00000-00056, 08CDP-00000-00185, 08ORD-00000-00018, and  
10EIR-00000-00001, Second District

---

### County Counsel Concurrence

As to form: Yes

### Auditor-Controller Concurrence

As to form: N/A

**Other Concurrences:** N/A

### Recommended Actions:

Consider the recommendations of the County Planning Commission to: (1) Approve Case No. 08ORD-00000-00018 which would amend Section 35-88 of Division 4, Zoning Districts, of the Article II Coastal Zoning Ordinance of Chapter 35, Zoning, of the Santa Barbara County Code, to allow exploration and production of sweet native natural gas by a public utility company for the purpose of expanding natural gas storage capacity in the PU, Public Works Utilities and Private Service Facilities, zone district; (2) Approve Case Nos. 12RVP-00000-00056 and 08CDP-00000-00185 to allow the Southern California Gas Company to explore for and produce native natural gas from the La Goleta site in order to expand the gas storage capacity; and, (3) Certify Environmental Impact Report 10EIR-00000-00001 for the project. The project site is located in the coastal zone, at 1171 More Ranch Road, 2<sup>nd</sup> Supervisorial District.

Your Board's actions should include the following:

- A. Make the required findings for approval, including CEQA findings, of the proposed ordinance amendment, development plan, and coastal development permit, as shown in Attachment A;
- B. Certify that Environmental Impact Report 10EIR-00000-00001 has been completed in compliance with the California Environmental Quality Act (CEQA) and CEQA Guidelines, and adopt the mitigation monitoring program contained in the Conditions of Approval;

- C. Approve Case No. 08ORD-00000-00018, an ordinance amending Section 35-88 of Division 4, Zoning Districts, of the Article II Coastal Zoning Ordinance of Chapter 35, Zoning, of the Santa Barbara County Code, included as Attachment B; and
- D. Approve Case Nos. 12RVP-00000-00056 and 08CDP-00000-00185 subject to the conditions of approval included as Attachment C.

**Summary Text:**

At its June 5, 2013 public hearing, the County Planning Commission adopted a resolution (see Attachment D) recommending that the Board of Supervisors adopt 08ORD-00000-00018, an amendment to the Coastal Zoning Ordinance to allow for the exploration and production of sweet (less than 4 parts per million hydrogen sulfide) native natural gas without the use of hydraulic fracturing in the PU (Public Works Utilities and Private Services Facilities) zone district. The Planning Commission also recommended that the Board: (1) approve, with conditions, SoCal Gas's La Goleta Storage Field Enhancement Project, 12RVP-00000-00056 and 08CDP-00000-00185, to drill and operate up to four wells to conduct exploration and production, without the use of hydraulic fracturing, of native gas at the La Goleta site in order to expand gas storage capacity; (2) adopt the findings required for such approvals; and, (3) certify the EIR for the proposed project. The Board of Supervisors is the County decision-maker for the project because it includes the proposed ordinance amendment. The California Coastal Commission must review and certify the ordinance amendment and is the appeal authority for the coastal development permit.

At the County Planning Commission's June 5, 2013 hearing, nine people, in addition to the applicant, testified before the Commission. The applicant spoke to the attributes of the proposed project, emphasizing that the increased underground storage capacity would benefit local and regional customers by having increased supplies of natural gas readily available, and being able to provide its rate payers and stock holders with cost savings and increased profits, respectively.

All nine public speakers expressed opposition to the proposed project, citing concerns with public safety risks, project-generated noise and vibration, potential pollution to air and groundwater, greenhouse gas emissions and fossil fuel use in general, as well as questioning the proposed financial benefits of the project. Several speakers were concerned that the project would employ hydraulic fracturing. Commissioner Brown noted that hydraulic fracturing is not proposed nor would it be permitted as part of the project. A representative of the City of Goleta presented a letter from the Mayor of Goleta requesting that the Planning Commission take the time necessary to listen to testimony from city residents, understand the issues they raised and take steps to address their concerns.

One speaker presented the Planning Commission with copies of two petitions, one online, signed by a total of approximately 914 persons in opposition to the project. Approximately 24 comments/letters were submitted prior to or at the hearing in opposition to the project, one comment forwarded an article about the project from the Independent weekly newspaper. All submittals are provided in Attachment G. The June 5, 2013 Planning Commission hearing may be viewed at:

[http://sbcounty.granicus.com/MediaPlayer.php?view\\_id=11&clip\\_id=1875](http://sbcounty.granicus.com/MediaPlayer.php?view_id=11&clip_id=1875).

**Background:**

Pacific Lighting Corporation (predecessor to the Southern California Gas Company) began operating the La Goleta gas storage facility in 1941 with five gas injection/withdrawal wells. The facility currently includes 19 injection/withdrawal wells and two observation wells, several buildings, gas compressors, dehydration equipment and ancillary equipment, and the underground gas storage reservoir. In 2006, the California Public Utilities Commission authorized SoCal Gas to explore for and produce native gas from the La Goleta site in order to expand the gas storage capacity at the facility, with the provision that environmental review be conducted and permits be obtained from the County as necessary. The existing gas storage capacity is 21.5 billion cubic feet (BCF) and, if approved, the proposed expansion would add from 3 to 5 BCF to that capacity, for a total storage capacity of 24.5 to 26.5 BCF.

In 2011, staff prepared a Draft Environmental Impact Report, with assistance from Marine Research Specialists (MRS), a qualified consultant, for the Air Quality and Hazardous Materials/Risk of Upset sections of the EIR. This EIR was circulated for public review from May 24, 2011 through July 8, 2011. Based on the comments received on the Draft EIR and on revised proposed language for the Coastal Zoning Ordinance amendment, staff prepared a Revised Draft EIR, again with assistance from MRS and from Dudek, a qualified noise consultant. The primary focus of the Revised Draft EIR was a complete revision of the Noise section. The Revised Draft EIR also included clarifying additions to the Hazardous Materials/Risk of Upset section and analysis of an alternative project layout that was not evaluated in the 2011 Draft EIR. The Revised Draft EIR was released for public review on December 5, 2012 through February 13, 2013. The proposed Final EIR includes responses to comments received on the Revised Draft EIR.

Please refer to Attachment E, the County Planning Commission staff report dated May 29, 2013 and Attachment F, the project EIR dated May 2013 (previously transmitted to the Board under separate cover) for further background information and analysis.

**Fiscal Analysis:**

Staff work for this ordinance amendment, development plan, coastal development permit and environmental document is funded by the applicant (Southern California Gas Company) and budgeted under the Planning and Development Department's Permitting Program on page D-138 of the 2012-2014 Budget and page D-168 of the Recommended Budget, 2013-2015. There are no facilities impacts.

**Special Instructions:**

1. The Clerk of the Board will provide notice in a newspaper of general circulation and the Planning and Development Department will provide mailed noticing.
2. The Clerk of the Board will send a copy of the signed and numbered Ordinance to P&D, attention Noel Langle and David Villalobos.

**Attachments:**

- A. Findings
- B. Ordinance
- C. Conditions
- D. County Planning Commission Action Letter and Resolution 13-16

- E. County Planning Commission Staff Report dated May 29, 2013, with Attachments
- F. Final EIR (*previously transmitted to the Board under separate cover*) and added Appendix X, Title Review Report
- G. Staff Presentation to Planning Commission, June 5, 2013
- H. Comment Letters and Petitions Submitted to the Planning Commission

**Authored by:**

Kevin Drude, Energy Specialist, Planning and Development Department, (805) 568-2519.