

High Risk Operation Ordinance

Planning & Development

**PETROLEUM UNIT
COUNTY OF SANTA BARBARA**

BOARD OF SUPERVISORS HEARING

MAY 10, 2011

Purpose of Hearing



- **Report on comments from stakeholders by issue area;**
- **Receive staff recommendations; and**
- **Provide direction to staff on ordinance language to be considered on July 12, 2011.**

Current High Risk Operation Definitions



- An oil or gas production, processing or storage facility which:
 - a) Has been in violation ... for more than 30 consecutive days or 45 days during the preceding 12 months; or*
 - b) Has three separate unauthorized releases ... of a quantity not less than 25 barrels (1050 gallons) for each incident within a 12 month period.*

1. High Risk Operation Definition (a)



Existing Language:

*“Has been in violation ...
for more than 30
consecutive days or 45
days during the
preceding 12 months”*

Proposed Language:

*“Has been in violation ...
for more than 30
consecutive days and
resulted in the issuance
of a Notice of
Determination of Fine
during the preceding 12
months”*

1. Comments on Threshold (a)



Petroleum Industry Comments	Environmental Community Comments
✓ Supports proposed change	✓ Supports proposed change as long as Chapter 24A-5(c) is part of staff's primary tool usage
✓ Consider using a calendar year period rather than a rolling 12 month period	✓ Listing of violation sections should say "or" not "and" as currently stated.
✓ Petroleum Administrator should be allowed to use discretion when designating high risk	

2. High Risk Operation Definition (b)



Existing Language:

“Has three separate unauthorized releases ... of a quantity not less than 25 barrels (1050 gallons) for each incident within a 12 month period”

Proposed Language:

“Has two unauthorized releases of ... not less than 15 barrels (630 gallons) other than within secondary containment for each release during the preceding 12 months”

2. Comments on Threshold (b)



Petroleum Industry Comments	Environmental Community Comments
✓ Supports proposed change	✓ Supports proposed change ✓ No specific comments noted
✓ Differentiation between inside/outside containment is important	
✓ Reduction in volume is too arbitrary	
✓ Definition for “Hazardous Materials” should conform with CA H&S Code	
✓ Consider using a calendar year period rather than a rolling 12 month period	

3. High Risk Operation Definition (c)



How do we address violators that habitually spill just under the threshold in (b)?

Previously Proposed Language:

“Has had at least five separate unauthorized releases not less than one barrel (42 gallons) other than within secondary containment for each incident during the preceding 12 months.”

3. Comments on Threshold (c)



Petroleum Industry Comments	Environmental Community Comments
✓ Opposes having a new threshold	✓ Supports additional threshold
✓ New threshold is unnecessary and counter-productive	✓ Open to alternative cumulative threshold amounts if Petroleum Industry would agree
✓ Threshold amounts are incompatible to those in definition (b)	✓ Consider broadening ability to refer cases to DA's office for prosecution
✓ Board should weigh whether concern is over the frequency of spills or the volume of each spill	

Current High Risk Remediation



- Purpose of plan is to remediate causative problems
- Includes mandatory schedule
- Operator completes the remediation plan
- Bond may be required
- Shut down orders remain in place until plan is achieved

High Risk Remediation



- **Clarify responsibilities**

- **Expand remediation plan requirements**
 - Overall facility audit requirement;
 - Operator notification of each milestone completion;
 - Staff performs independent verification;
 - Shut down orders are lifted once causes of the orders are corrected

Comments on Remediation Requirements



Petroleum Industry Comments	Environmental Community Comments
✓ Supports proposed changes	✓ Supports proposed changes
✓ Remediation plan with audits could take years to complete.	✓ It is important that Petroleum Administrator retains discretion when determining whether the “cause of the shut down order has been remediated”
✓ Keeping shut down orders in place until plan is completed results in shutting down the operation for years without revenue	

Staff Recommendations



Direct staff to return on 7/12/2011 with Ordinance Amendment to:

1. **Revise High Risk Threshold (a);**
2. **Revise High Risk Threshold (b);**
3. **Not add an additional High Risk Threshold at this time;**
4. **Revise Remediation Requirements; and**
5. **Other minor amendments as necessary to effectively enforce the Petroleum Code.**

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