



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

Submitted on:
(COB Stamp)

Department Name: Planning & Development
Department No.: 053
Agenda Date: Administrative:
Set Hearing on 2/4/25 for
2/25/25
Placement: Departmental
Estimated Time: 2hours on 2/25/25
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director: Lisa Plowman, Director, Planning and Development (805) 568-2086
Contact Info: Errin Briggs, Deputy Director, EMC Division (805) 568-2047
SUBJECT: Set Hearing to consider the appeals of the Planning Commission Approval of the Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline System Final Development Plan Permits. Third, Fourth, and First Supervisorial Districts

County Counsel Concurrence

As to form: Yes

Other Concurrence:

As to form: N/A

Auditor-Controller Concurrence

As to form: N/A

Recommended Actions:

On February 4, 2025, set hearing for February 25, 2025 to consider the Environmental Defense Center and Center for Biological Diversity appeals of the Planning Commission's October 30, 2024 approval of the Change of Ownership, Change of Guarantor, and Change of Operator for the Santa Ynez Unit (SYU), Pacific Offshore Pipeline Company (POPCO) Gas Plant, and Las Flores Pipeline System Final Development Plan (FDP) Permits.

On February 25, 2025, staff recommends that the Board of Supervisors:

- a) Deny the appeals, case nos. 24APL-00025 and 24APL-00026;
- b) Make the required finding for approval of the Change of Owner, Operator, and Guarantor for the respective SYU, POPCO Gas Plant, and Las Flores Pipeline System FDP Permits, including CEQA findings;
- c) Determine the requests are not a project pursuant to CEQA Guidelines Section 15378(b)(5); and
- d) Grant *de novo* approval of the Change of Owner, Operator, and Guarantor for the respective SYU, POPCO Gas Plant, and Las Flores Pipeline System FDP Permits, subject to the Conditions of Approval.

Summary Text:

This Board Agenda Letter sets a hearing for February 25, 2025 to review the Planning Commission's approval of the Change of Owner, Change of Operator, and Change of Guarantor for the SYU, POPCO Gas Plant, and Las Flores Pipeline System FDP Permits. The three facilities are existing, operationally interrelated oil and gas facilities, permitted to operate under separate previously-issued County FDP Permits. The Planning Commission approved the respective permit transfers on October 30, 2024, finding the requests exempt from CEQA review pursuant to CEQA Guidelines Section 15378(b)(5), and consistent with County ordinance Chapter 25B that requires facility fees to be paid, financial guarantees to be updated to reflect the new party, permit conditions to be accepted, copies of the most recent County-conducted safety audits to be provided, permit

compliance to be met as of the date of application completeness, compliance plans to be submitted with updated emergency contact information, transitional plans to be submitted, emergency response drills to be conducted, and operator capability to be demonstrated.

The Center for Biological Diversity (CBD) together with the Wishtoyo Foundation, and the Environmental Defense Center (EDC) together with Get Oil Out! (GOO!) and the Santa Barbara County Action Network (SBCAN) appealed the Planning Commissions' decision on the grounds that the approvals were inconsistent with the provisions of Chapter 25B, and that the Commission's actions were not supported by sufficient evidence, and constituted an abuse of discretion. A subsequent Board Agenda Letter will detail the appeal issues and provide staff responses. The letter will also provide Findings for Approval and Conditions of Approval for the permit transfer requests, as first described in the Planning Commission Staff Report dated October 22, 2024 (included as Attachment C).

Background:

The SYU and POPCO Gas Plant are permitted facilities that produce and treat crude oil and natural gas from offshore Platforms Hondo, Harmony, and Heritage in the Santa Barbara Channel. The SYU is permitted under County FDP Permit No. 87-DP-32cz (RV06), and the POPCO Gas Plant is permitted under County FDP Permit No. 93-FDP-015 (RV02). Oil produced from the SYU is normally transported via the common-carrier Las Flores Pipeline System (formerly known as the Plains All American Pipeline) to the Pentland Station in Kern County. The pipeline system is permitted under County FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01) (88-DPF-25cz; 85-DP-66cz; 83-DP-25cz). In 2015, a section of the Las Flores Pipeline System (then the Plains All American Line 901) ruptured, ultimately resulting in the shutdown of the SYU, POPCO Gas Plant, and the Las Flores Pipeline System. Although no oil is currently being processed or transported from the facilities, the County permits remain active. Preservation activities continue to be conducted on the systems in order to maintain integrity, including preventative and corrective maintenance and various inspection programs under federal, state, and local laws.

On February 14, 2024, Sable Offshore Corporation (Sable) acquired the SYU from Exxon Mobil, as well as POPCO and Pacific Pipeline Company (PPC), the owners of the Gas Plant and the Las Flores Pipeline System, respectively. Sable is a Delaware corporation, and was formed on October 16, 2020 for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization, or other similar business combination with one of more business entities. Under the proposed action, Sable is the Owner, Guarantor, and Operator for the SYU FDP Permit, and the proposed Guarantor and Operator for both the POPCO Gas Plant and the Las Flores Pipeline System FDP Permits. POPCO remains the legal owner of the POPCO Gas Plant, and PPC remains the legal owner of the Las Flores Pipeline System.

Transfer of County permits to a new Owner, Operator, or Guarantor are subject to discretionary review and processing in accordance with County Code Chapter 25B. On March 14, 2024, Sable submitted applications to Planning and Development for the following. These application requests are to transfer existing County permits to a new Owner, Operator, and/or Guarantor, and not for the actual transfer of the underlying assets themselves.

- Change of Owner, Operator and Guarantor of the SYU FDP Permit No. 87-DP-32cz (RV06) from ExxonMobil Corporation to Sable;
- Change of Operator and Guarantor of the POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03) from ExxonMobil Corporation to Sable; and
- Change of Operator and Guarantor of the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz) from ExxonMobil Pipeline Company (EMPCo) to Sable (Operator), and ExxonMobil Corporation to Sable (Guarantor).

On October 30, 2024, the Planning Commission approved the requested permit transfers by a vote of 3 to 1 (Parke no; Cooney absent). An appeal of the Planning Commission's action was subsequently filed by two parties, CBD together with the Wishtoyo Foundation (Case No. 24APL-00025), and EDC together with GOO!

and SBCAN (Case No. 24APL-00026). These appeals are now scheduled to be heard by the Board on February 25, 2025.

The records for the permit transfer requests are attached. The appeal letters are included as Attachment A. The Planning Commission Action Letter is included as Attachment B. The Planning Commission Staff Report is included as Attachment C. The Public Comment record is included as Attachment D. The Facilitation Report is included as Attachment E.

Fiscal and Facilities Impacts:

Budgeted: Yes

The costs to process these appeals are wholly borne by the Applicant through payment of processing fees. Funding for these requests is budgeted in the Planning and Development's Permitting Budget Program on Page 317 of the County of Santa Barbara Fiscal Year 2024-25 Adopted Budget.

Special Instructions:

The Planning and Development Department will satisfy all noticing requirements for the February 25, 2025 hearing.

Attachments:

Attachment A – CBD Appeal Letter_2024.11.05

EDC Appeal Letter_2024.11.07

Attachment B – Planning Commission Action Letter_2024.10.30

Attachment C – Planning Commission Staff Report_2024.10.22

Attachment D – Planning Commission Public Comment Letters

Attachment E – Facilitation Report_2024.12.17

Authored by:

Jacquelynn Ybarra, Senior Planner

E: jybarra@countyofsb.org

Energy, Minerals, and Compliance Division

Planning and Development Department

Attachment A

Appeal Letters



November 5, 2024

Via E-Mail and FedEx

County of Santa Barbara
Office of the Clerk of the Board
105 E. Anapamu Street, Room 407
Santa Barbara, CA 93101
sbcob@countyofsb.org

Re: Appeal of Planning Commission Approval of Change of Owner, Guarantor, and Operator for the Santa Ynez Unit Permits, Including the Las Flores Canyon Facility, POPCO Gas Plant, and Pipeline System, to Sable Offshore Corp.

On behalf of the Center for Biological Diversity and Wishtoyo Foundation, we seek to appeal the Planning Commission's October 30, 2024, approval of the transfer of the Santa Ynez Unit, POPCO, and Las Flores Pipeline System permits to Sable Offshore Corp. (Sable).¹

1) Center for Biological Diversity and Wishtoyo Foundation Are Aggrieved Parties to the Approval

Appellants Center for Biological Diversity and Wishtoyo Foundation are aggrieved by the County's approval of the transfer of County permits for the Santa Ynez Unit infrastructure to Sable. The Center is a nonprofit organization that works to protect imperiled plants and animals and the habitat upon which they depend. The Center has been working to protect the Santa Barbara region for many decades, including longstanding efforts to conserve species onshore and offshore, from the San Joaquin kit fox to the majestic blue whale. The Center's interests were harmed by the 2015 oil spill from the Santa Ynez Unit pipeline, and since then we have been engaged in efforts to ensure environmental protections at almost every stage of Santa Ynez Unit activities and permitting.

Wishtoyo is a nonprofit corporation with over 700 members. Wishtoyo is a place, organization, and movement inspiring people to live in harmony with our Earth again. Wishtoyo serves as a "rainbow bridge" linking Chumash and indigenous lifeways with the protection of natural and cultural resources, utilizing traditional ecological knowledge to provide environmental and cultural preservation and justice, education, research, and advocacy. Wishtoyo has a longstanding record of protecting and restoring the coastal watersheds of Chumash homelands, the Santa Barbara Channel, and the Pacific Ocean. Since its inception, Wishtoyo has fought to protect rivers, oceans, wildlife, and cultural resources from pollutants. Wishtoyo has advocated state and federal forums for adequate protocols and protections to prevent future oil spills along the Gaviota Coast, Santa Barbara Channel, and in California's inland and coastal waters from oil

¹ We were advised on a call with Deputy Clerk Katherine Douglas in the Office of the Clerk of the Board that there is no filing fee for this energy project appeal.

pipelines. Wishtoyo worked with the Northern Chumash Tribal Council to advocate for the Chumash Heritage National Marine Sanctuary to further protect marine environments off the coast of California and improve connectivity of protected marine habitats. Wishtoyo also ran the Chumash Tribal Marine Protected Area Ocean Conservation education program to teach social, cultural, and ecological importance of a healthy ocean environment to K-12 school children.

The Planning Commission's transfer of permits to Sable harms the Center and Wishtoyo Foundation because the Planning Commission failed to adequately ensure the ability of Sable to prevent and respond to oil spills, protect clean air and water, and fulfill its asset retirement obligations. The Planning Commission's arbitrary findings and decision to approve the permit transfers poses significant risks to the environment and public safety that the Center and Wishtoyo Foundation seek to protect.

2) Appealed Decision

The Planning Commission approved the following permit transfers on October 30, 2024:

- Santa Ynez Unit (SYU) Final Development Plan (FDP) Permit No. 87-DP-32cz (RV06) from ExxonMobil Corporation to Sable (Owner, Operator, and Guarantor);
- Pacific Offshore Pipeline Company (POPCO) Gas Plant FDP Permit No. 93-FDP-015 (AM03) from ExxonMobil Corporation to Sable (Operator and Guarantor); and
- Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz) from ExxonMobil Pipeline Company (EMPCo) to Sable (Operator), and ExxonMobil Corporation to Sable (Guarantor).

The Center and Wishtoyo Foundation appeal these Planning Commission approvals and its findings under Santa Barbara County Code Chapter 25B, Article II of the County Code (Coastal Zoning Ordinance) and the California Environmental Quality Act (CEQA).

3) Statement of Reasons the Decision Is Inconsistent with the Development Code or Law

The Planning Commission's approval of these permit transfers lack sufficient support, run contrary to the factual evidence, and/or are inconsistent with the Santa Barbara County Land Use and Development Code for the reasons summarized below and explained in greater detail in section 4 (Grounds for Appeal):

- The Planning Commission failed to require a new or revised permit and adequately address non-conformity with existing County permits and conditions of approval. The transfers do not comply with existing development plan, conditional use, or coastal development permit requirements. Under the terms of the original permits, the County must require new or revised development plan, conditional use, and coastal development permits before transfer and restart.
- The Planning Commission's decision regarding Sable's financial guarantees, oil spill response plan and capacity, and other permit transfer requirements was flawed. The transfers do not comply with County Code provisions governing the change of owner,

operator, or guarantor for certain oil and gas facilities. The Planning Commission's findings on financial guarantees, operator ability, compliance plans, safety audits, and compliance with permit and other legal requirements, for example, are not adequately supported by the evidence before it. Nor are the Planning Commission's actions consistent with existing permit terms, the Coastal Act, the Elder Pipeline Safety Act of 1981, Public Resources Code section 3205.8, or Article II of the County Code (Coastal Zoning Ordinance), among other provisions;

- The Planning Commission's process for approving the transfer of permits for the Santa Ynez Unit was flawed; and
- The Planning Commission's permit transfer decision failed to comply with CEQA. The determination that the permit transfers are "not a project" under CEQA and failure to conduct environmental review on the transfers and SYU restart before making a decision violates CEQA.

We reserve the right to supplement this appeal with additional reasons and evidence.

4) Grounds for Appeal

The transfer of these permits to Sable is highly consequential because Sable acquired the Santa Ynez Unit assets to restart oil production and transport through the corroded pipeline that ruptured in 2015, spilling hundreds of thousands of gallons of oil along the Gaviota coast. The spill devastated 150 miles of shoreline, damaged coastal ecosystems, and harmed local fisheries and businesses. Following this disaster, the pipelines and facilities shut down and have remained out-of-service for nearly ten years. The transfer of permits to Sable enables restart of these operations. Restarting the Santa Ynez Unit risks serious environmental and public safety consequences, from oil spills to air pollution. It requires an owner, operator, and guarantor with proven financial resources, a track record of compliance with applicable laws, and safety measures to prevent and respond to another oil spill and cover the full costs of decommissioning and restoration. However, Sable's questionable financial resources and request to waive certain safety measures, such as corrosion protection, raise serious concerns about transferring the permits. The Planning Commission's approval brings renewed risks to the environment and communities up and down the coast and around the pipeline system.

The Planning Commission's decision to approve the transfer of permits for the Santa Ynez Unit to Sable was arbitrary and an abuse of discretion due to lack of evidence to support the decision, significant issues in the transparency of the decision-making process, and misunderstandings about its scope of authority under Chapter 25B, CEQA, and the existing development permits and conditions of approval.

First, the Planning Commission failed to require a new or revised permit and adequately address non-conformity with existing County permits and conditions of approval. The Santa Ynez Unit no longer conforms with key permit conditions. The Planning Commission acted arbitrarily and abused its discretion by failing to require a new or revised development plan, major conditional use, and coastal development permits after the failure of the pipeline system and the current owner/operator's non-conformity with existing permits and conditions of

approval. Modifications of the Santa Ynez Unit that are recently completed, underway, and planned invoke various permit conditions that trigger a revised or new permit. Specifically, changes to the pipeline system, including but not limited to, restart after catastrophic failure, state waiver of safety measures, and construction on the pipeline system are modifications triggering the need for a new or revised permit. Additionally, upgrades, changes, and repairs to the processing facilities, as well as plans for the potential for new drilling, acid well stimulation, extended reach drilling, and carbon storage at the Santa Ynez Unit are modifications indicating a need for new or revised permits. This restart now requires a comprehensive suite of construction, repair, equipment modification, changes in operations, and waivers from otherwise required safety features that constitute substantial modifications in the previously approved infrastructure.

Additionally, the Planning Commission should not have issued this decision without first verifying with Office of the State Fire Marshal (with input from the U.S. Department of Transportation's Pipeline and Hazardous Materials Safety Administration) that the pipeline can even meet safety requirements for restart. The County has both the authority and duty to ensure that the Santa Ynez Unit complies with applicable state and federal pipeline safety laws and to consider what additional risks to environmental resources are posed by any state waiver the owner/operator might (but has not yet) received. In this case, the County failed to ensure that Sable's plans for restart meet essential safety standards and that activities required prior to restart comply with governing laws, including but not limited to the Coastal Act, even if some aspects arguably fall within the direct jurisdiction of another entity.

Sable has requested a waiver from cathodic protection requirements on the pipelines, a fundamental safety measure designed to prevent corrosion and minimize spill risks. This request is especially concerning given that the 2015 oil spill was caused by corrosion in these same pipelines, which remain vulnerable to corrosion due to operating and environmental conditions. At the Planning Commission hearing, Sable claimed that the pipelines are fully equipped with cathodic protection, but this assertion contradicts its need for a state waiver, creating a serious inconsistency that the County must resolve before approving any permit transfers. With these pipelines now inactive for nearly a decade, restarting them without resolving these protection measures presents significant safety hazards.

Sable's requested waiver from cathodic protection requirements on the pipeline system is a significant departure from the pipeline design originally required under the development plan and major conditional use permit terms as well as federal and state law.

Moreover, the California legislature passed the Coastal Best Available Technology (CBAT) law in response to the 2015 spill, underscoring the heightened regulatory standards required for such aging infrastructure. It is therefore unacceptable for the County to approve this transfer without first confirming with the Fire Marshal that the pipeline can meet best available technology and other pipeline safety requirements, which it cannot. By proceeding without these verifications, the Planning Commission's decision lacks the evidentiary support necessary to make a finding that Sable can responsibly manage the risks associated with restarting the compromised infrastructure.

The Planning Commission, contrary to the evidence, found consistency with the permit, County code, and state and federal laws. Not only does the pipeline fail to meet the conditions of the

permit and the Elder Pipeline Safety Act to have effective cathodic protection, but additional instances of non-compliance render this finding in error. The California Coastal Commission issued notices of violation to Sable for failing to comply with the Coastal Act by carrying out construction on the pipeline in the coastal zone without a Coastal Development Permit. In its September 27, 2024 notice of violation, the Coastal Commission clarified that the “upgrade project” did not qualify as an exempt repair and maintenance activity under the Coastal Act or Coastal Zoning Ordinance. It also noted that “Santa Barbara County has declined to enforce the above-noted Coastal Act/LCP violations.”²

Sable’s non-compliance disqualifies it for transfer under 25B-10(a)(5) (compliance with existing requirements) and 25B-10(a)(9) (operator capability). Accordingly, the Planning Commission abused its discretion by making findings of consistency.

Second, the Planning Commission’s flawed decision on Sable’s financial guarantees inadequately examined Sable’s financial capability to manage potential environmental liabilities. Sable is burdened by a \$426 million debt and lacks a stable revenue stream, which casts doubt on its ability to manage the significant costs associated with potential oil spills and required facility decommissioning and site restoration. The Planning Commission failed to consider independently audited financial statements. For example, Sable’s November 1, 2024 Securities Exchange Commission Prospectus disclosed that an independent report “expresses substantial doubt about [the company’s] ability to continue as a ‘going concern.’”³ The Planning Commission’s decision runs contrary to evidence that Sable’s cash flow may be insufficient to address oil spill costs, like the \$750 million in cleanup, fines, penalties, and other costs from the 2015 oil spill along with its separate decommissioning liabilities—as well as the myriad other dangers of offshore drilling such as a blowout, explosion, gas leak, or fire. The insurance certificates provided are inadequate, particularly without providing the underlying policies to know if they cover disasters like earthquakes, mudslides, severe storms, and wildfires, to which the Santa Ynez Unit infrastructure locations are prone. Yet, the Planning Commission relied on Sable’s unsubstantiated representations at the hearing of the company’s financial stability based on its market capitalization—a misleading measure reflecting current stock price and overlooking debt, cash flow, commodity price volatility, and operational risks.

The Planning Commission also ignored evidence that Sable has insufficient financial assurances for its decommissioning and restoration obligations. The decommissioning and restoration costs for the Santa Ynez Unit infrastructure, which includes offshore platforms, pipelines, and processing facilities, are projected to be in the hundreds of millions of dollars. Sable has not posted adequate performance bonds or provided the required financial guarantees to cover these decommissioning expenses that are a legal and permit requirement. In its Securities and Exchange Commission filings, Sable lists its asset retirement obligations at \$94,174—a massive underestimate. Meanwhile, the Bureau of Ocean Energy Management estimates that decommissioning the federal offshore infrastructure alone will cost \$471.6 million.

At the hearing, staff confirmed that Sable has posted no bonds for the onshore infrastructure, and they represented, in error, that such a financial assurance could not be required. First, the

² Notice of Violation from California Coastal Commission to Sable Offshore Corp. (Sept. 27, 2024).

³ Sable Offshore Corp. [Prospectus](#) (Nov. 1, 2024).

California law, Pub. Res. Code §§ 3202(a) & 3205.8(a)(1), requires bonding of full decommissioning costs of processing facilities upon transfer, and Sable has yet to comply. Second, the County's POPCO permit requires the permittee to post a bond for decommissioning and restoration, which Sable has not fulfilled. Third, Chapter 25B authorizes the Planning Commission to "impose additional conditions on the permit in order to ensure that any insurance or other financial guarantees that were submitted to and relied on by the planning commission as a basis to make any finding required by this chapter are maintained." Sec. 25B-10(b).

Furthermore, the original development plan and major conditional use permits are replete with provisions conferring discretion on the County to impose additional requirements when there are changes in the required elements of the project (like cathodic protections against corrosion) or changes in attendant risk or impacts—irrespective of remarks by County staff to the contrary.

Finally, the Planning Commission relied on incorrect and incomplete information mentioned at the hearing about predecessor liability to make its financial guarantees findings. For example, it is common for predecessor oil companies to dispute liability offshore even where predecessor liability is federal law. Under state law, it has proven even more difficult. Any such reliance is misplaced, naïve, and dangerous.

Here, where the largest U.S. oil company—ExxonMobil—is transferring permits for old, troubled assets to a new, indebted company—Sable—the County's oversight of financial guarantees requires more scrutiny than the Planning Commission provided.

Despite all of this and Sable's limited assets and high debt, the Planning Commission approved the transfer. The Planning Commission lacked due diligence to resolve inconsistencies and seek out sufficient evidence to support its findings. It failed to secure these financial assurances, which risks leaving the County with the enormous costs of decommissioning and environmental restoration if Sable is unable to fulfill these obligations.

Third, the Planning Commission relied on a submitted, but not yet approved, oil spill response plan. The plan has not been approved of by the Office of Spill Prevention and Response (OSPR) as sufficient for addressing worst-case spill scenarios, and a prior plan was rejected for assuming a zero-barrel spill for the out-of-service pipeline. The lack of an approved plan is problematic on two counts. First, by proceeding without a fully authorized and vetted response plan, the Planning Commission bypassed essential regulatory requirements meant to ensure that an operator can respond swiftly and effectively to an oil spill. Second, without an approved plan, the Certificates of Financial Responsibility (COFR) lack a firm basis because the financial assurances are calculated from spill estimates in the plan. Here, the proposed plan's worst-case spill discharge estimate of 1,935 bbl on the coast, a fraction of the 2015 spill volume, is likely a gross underestimate, making the Planning Commission's reliance on the COFR arbitrary. By relying on an oil spill response plan that has yet to be approved, the Commission's finding of adequate financial capacity rests on unverified assumptions about Sable's preparedness and financial capability. Remarks at the hearing suggested that a submitted plan is sufficient, but this is no ordinary project or transfer.

Fourth, the Planning Commission’s process for approving the transfer of permits for the Santa Ynez Unit was flawed due to a lack of a fair and impartial hearing, transparency, and adherence to public process requirements.

The Planning Commission’s process lacked transparency, depriving both the public and Commissioners of critical information needed for a fair and thorough assessment. Key documents—such as all the original permit documents now at issue, Sable’s insurance policies, audited financial statements, and the findings OSPR made when issuing Certificates of Financial Responsibility—were notably absent from the record. Some Commissioners expressed concerns that they had not been provided with essential financial and safety documentation, leaving them unable to verify Sable’s readiness or financial capacity to assume the responsibilities of the Santa Ynez Unit. In essence, they were asked to trust but not given the information it would have taken to verify. Moreover, the public and Commissioners did not have access to foundational permitting documents for the original pipelines and facilities, further impairing public engagement in this high-stakes decision. By failing to ensure that these documents were available for review, the County limited public oversight and left Commissioners without the tools needed for an informed decision.

The decision was unfairly influenced by staff misrepresentations. Planning Commission staff presented the transfer process as a mere checklist of paper submissions that the Commissioners had no discretion to evaluate, rather than recognizing the broader and more intensive oversight responsibilities under Chapter 25B, which mandates thorough scrutiny of the applicant’s financial stability and operational ability. Staff statements appeared to have downplayed the Planning Commission’s duty to carefully review and enforce the existing permit conditions, misleading the Planning Commission about its authority and discretion to require additional conditions and financial guarantees by implying that its powers were limited to ensuring Sable pays its property taxes. Instead, the existing permits contemplate a much greater oversight role for the County, and Chapter 25B empowers the Planning Commission to impose stricter financial assurance requirements as needed to ensure that the criteria for transfer, including financial guarantees, are satisfied. *See* Sec. 25B-10(b).

Additionally, the lack of an environmental review as discussed below deprives the public of participation and input into this important decision and thwarts informed decision making about the implications of this transfer of permits and restart of operations by a much less financially stable and proven owner, operator, guarantor than its predecessor. Given the environmental impacts of restarting the Santa Ynez Unit and its onshore infrastructure after the 2015 rupture and catastrophic spill, the Planning Commission’s failure to conduct a transparent environmental review process with public participation amounts to a lack of public process.

Fifth, the Planning Commission failed to comply with CEQA. The Planning Commission’s determination that its action is “not a project” is in error. Treating the permit transfer as a mere administrative change “that will not result in direct or indirect physical changes in the environment,” CEQA Guidelines § 15378(b)(5), is fundamentally flawed. The Planning Commission overlooked the important oversight role that it has in considering whether to approve the transfer. Its flawed determination also ignores the Planning Commission’s obligation to require a new or modified permit given post-failure circumstances and post-failure knowledge about the state of the infrastructure, as well as its discretion to require additional conditions and

guarantees to ensure environmental protection, permit compliance, and financial assurances. It also inappropriately isolates the transfer from the restart of the Santa Ynez Unit. Restarting this oil and gas infrastructure that is the County's biggest source of harmful air pollutants and that was responsible for one of California's worst oil spills presents significant risks to coastal ecosystems, air quality, and public health. CEQA requires these risks be examined, mitigated, and publicly disclosed before a decision. The Planning Commission's failure to initiate this review violates CEQA and deprives the public of necessary information on the environmental consequences of the Santa Ynez Unit restart under Sable. By bypassing this process, the Planning Commission not only disregarded legal requirements but also increased the likelihood of future environmental harm without adequate mitigation or safeguards in place.

5) Conclusion

In summary, the Planning Commission's approval of the permit transfers for the Santa Ynez Unit was arbitrary, an abuse of discretion, and unsupported by adequate evidence. This appeal respectfully requests a reconsideration of the decision, ensuring a full vetting of financial stability, operational ability, and compliance with permits and laws before any approvals of permit transfers. Thank you for your consideration.

Sincerely,



Miyoko Sakashita
Oceans Program Director, Senior Counsel
Center for Biological Diversity



Mati Waiya
Founder & Executive Director
Wishtoyo Foundation

Enclosed:

Center for Biological Diversity letter to the Santa Barbara Planning Commission, Re: Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, Pacific Offshore Pipeline Company Gas Plant, and Las Flores Pipeline System Final Development Plan Permits; SYU Restart (October 28, 2024).

Center for Biological Diversity letter to CAL FIRE, Santa Barbara County, California State Lands Commission, Notice of CEQA Violation and Request to Prepare EIR for Restart of SYU Infrastructure, Including Onshore Lines 901/903 (CA-324, CA-325), After Pipeline Failure, Major Oil Spill, and Ten Years Idle (September 24, 2024).



November 7, 2024

Mr. Steve Lavagnino, Chair
Santa Barbara County Board of Supervisors
105 East Anapamu Street
Santa Barbara, CA 93101
Via email to: sbcob@countyofsb.org

Re: Appeal of the Planning Commission's October 30, 2024 Approval of Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline System Final Development Plan Permits

Dear Chair Lavanigno and Honorable Supervisors:

The Environmental Defense Center (“EDC”), Get Oil Out! (“GOO!”), and Santa Barbara County Action Network (“SBCAN,” and together with EDC and GOO!, “Appellants”) appeal the Planning Commission’s approval of Sable Offshore Corp.’s (“Sable”) applications for Change in Owner, Operator, and Guarantor of the Final Development Plan Permits (“FDPs”) for the Santa Ynez Unit (the “SYU”), Pacific Offshore Pipeline Company (“POPCO”) Gas Plant, and the Las Flores Pipeline System.

In approving Sable’s applications, the Planning Commission misconstrued the purpose of Chapter 25B of the County Code and the scope of its review thereunder, leading to a decision that was replete with errors. Most notably, at the behest of staff, the Commission ignored or misinterpreted several findings of approval required by Chapter 25B, including those related to financial capability and compliance plans; ignored or misinterpreted several conditions of the FDPs, which the Commission was required to review for compliance; and improperly excluded relevant evidence in the record concerning the risks of operating the facilities at issue. In light of these errors, the Commission ultimately made a number of findings that were unsupported by evidence, plainly controverted by evidence in the record, and/or inconsistent with Chapter 25B.

Accordingly, Appellants offer the following concise summary of their grounds for appeal:

- The Planning Commission’s approval was inconsistent with the provisions and purpose of Chapter 25B of the County Code;
- The decision was made in error;
- The decision constituted an abuse of discretion; and
- The decision and findings were not supported by sufficient evidence.

(See County Code, § 25B-12(b)(2).)

I. Interest of Appellants

These applications are part of Sable’s broader effort to restart the SYU and the corroded onshore pipelines that caused the 2015 oil spill at Refugio State Beach Park (the “Refugio Oil Spill”). Appellants were involved in the immediate response to the spill, and they remain concerned about the risks of operating the SYU and its attendant infrastructure. As to Sable in particular, they have well-founded concerns that this speculative company will not be able to safely restart these facilities, responsibly operate them, or fulfill its remediation obligations when another spill occurs.

On October 28, 2024, Appellants submitted a written comment letter (the “Comment Letter”) to the Planning Commission outlining why the Commission was unable to make many of the findings of approval required by Chapter 25B, including those related to Sable’s financial stability, operational capacity, and compliance with existing permit conditions. **Appellants’ Comment Letter is attached to this appeal and incorporated herein by this reference.**

At the October 30, 2024, Planning Commission hearing on this matter, each of the Appellants gave public comment opposing Sable’s applications and highlighting the concerns raised in their Comment Letter.

Accordingly, for purposes of this appeal, Appellants are interested persons adversely affected by the Planning Commission’s decision. (See County Code, § 25B-12(b)(1).)

II. Grounds for Appeal

The following tables outline Appellants’ specific grounds for appeal. Note that the tables reference and incorporate the arguments raised in Appellants’ Comment Letter. Appellants reserve the right to supplement this appeal with further issues, evidence, and argument.

* * *

A. SYU Permit: Application of Change for Owner, Operator, and Guarantor

Required Chapter 25B Findings	Grounds for Appeal
<i>Financial Guarantees: Sections 25B-9(a)(2), 25B-9(e)(1), and 25B-10(a)(2)</i> “All necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new owner(s) or operator and will remain in full effect following the ownership or operator change.”	1. Sable has not obtained a final Certificate of Financial Responsibility (“CFR”) for its facilities, as required by Condition XI-2.w. (<i>See</i> Part II.B of Comment Letter.) 2. Sable has not posted a performance bond for the abandonment of these facilities, which can — and should — be required under Condition XIX-1. (<i>See</i> Part II.C of Comment Letter.)
<i>Compliance Plans: Section 25B-10(a)(6)</i> “The current owner and proposed operator have updated, where applicable, any . . . oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator.”	1. Sable has not submitted an adequate or approved Oil Spill Contingency Plan for these facilities. (<i>See</i> Part IV of Comment Letter.)
<i>Operator Capability: Section 25B-10(a)(9)</i> “The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f.”	1. Sable has not demonstrated that it has the resources necessary to operate these facilities, as it may run out of capital prior to restart. (<i>See</i> Part II.A of Comment Letter.) 2. Sable has not demonstrated that it has the financial capacity to remediate a worst-case spill from these facilities, as required by Condition XI-2.w. (<i>See</i> Part II.A of Comment Letter.) 3. Sable has not demonstrated that it can comply with an Oil Spill Contingency Plan, as it failed to submit an adequate or approved plan, and it lacks the financial resources to comply with such a plan. (<i>See</i> Part II.A and Part IV of Comment Letter.) 4. Sable has not shown that it can be trusted to reliably operate these facilities. (<i>See</i> Part V of Comment Letter.)

B. POPCO Permit: Application for Change of Operator and Guarantor

Required Chapter 25B Findings	Grounds for Appeal
<i>Financial Guarantees: Sections 25B-9(e)(1) and 25B-10(a)(2)</i> “All necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new owner(s) or operator and will remain in full effect following the ownership or operator change.”	1. Sable has not posted a performance bond for the abandonment of this facility, as required by Condition Q-2. (<i>See</i> Part II.C of Comment Letter.)
<i>Operator Capability: Section 25B-10(a)(9)</i> “The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f.”	1. Sable has not demonstrated that it has the resources necessary to operate this facility, as it may run out of capital prior to restart. (<i>See</i> Part II.A of Comment Letter.) 2. Sable has not shown that it can be trusted to reliably operate this facility. (<i>See</i> Part IV of Comment Letter.)

C. Las Flores Pipeline System Permit: Application for Change of Operator and Guarantor

Required Chapter 25B Findings	Grounds for Appeal
<i>Financial Guarantees: Sections 25B-9(e)(1) and 25B-10(a)(2)</i> “All necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new owner(s) or operator and will remain in full effect following the ownership or operator change.”	1. Sable has not obtained final CFRs for the Las Flores Pipeline System, which the County can — and should — require pursuant to Section 25B-10(b). (<i>See</i> Part II.B of Comment Letter.) 2. Sable has not posted a performance bond for the abandonment of these facilities, which can — and should — be required under Condition O-1. (<i>See</i> Part II.C of Comment Letter.)

<i>Compliance with Existing Requirements: Section 25B-10(a)(5)</i> “As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit”	1. The current owner/operator is not in compliance with Condition A-7, as the Las Flores Pipeline System lacks effective cathodic protection. (<i>See</i> Part III of Comment Letter.)
<i>Compliance Plans: Section 25B-10(a)(6)</i> “The current owner and proposed operator have updated, where applicable, any . . . oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator.”	1. Sable has not submitted an adequate or approved Oil Spill Contingency Plan for the Las Flores Pipeline System. (<i>See</i> Part IV of Comment Letter.)
<i>Operator Capability: Section 25B-10(a)(9)</i> “The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f.”	1. Sable has not demonstrated that it has the resources necessary to operate the facilities, as it may run out of capital prior to restart. (<i>See</i> Part II.A of Comment Letter.) 2. Sable has not demonstrated that it can comply with an Oil Spill Contingency Plan, as it failed to submit an approved or adequate plan for these facilities, and it lacks the financial resources to comply with such a plan. (<i>See</i> Part II.A and Part IV of Comment Letter.) 3. Sable has not shown that it can be trusted to reliably operate these facilities. (<i>See</i> Part V of Comment Letter.)

III. Request

For the above reasons, and the reasons Appellants raised to the Planning Commission, Appellants ask that the Board of Supervisors grant Appellants’ appeal, reverse the Planning Commission’s decision, and deny *de novo* Sable’s applications for Change of Owner, Operator, and Guarantor.

Thank you for your consideration.

Sincerely,

A handwritten signature in black ink, appearing to read "Ldarp".

Linda Krop,
Chief Counsel

A handwritten signature in black ink, appearing to read "Jer J".

Jeremy Frankel,
Staff Attorney

Att: EDC letter to Planning Commission, 10/28/24



October 28, 2024

Mr. Vincent Martinez, Chair
Planning Commission
123 East Anapamu Street
Santa Barbara, CA 93101
Via email: dvillalo@co.santa-barbara.ca.us

Re: Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline System — OPPOSE

Dear Chair Martinez and Honorable Commissioners:

On behalf of Get Oil Out! (“GOO!”), Santa Barbara County Action Network (“SBCAN”), and the Environmental Defense Center (“EDC”),¹ we urge the County to deny Sable Offshore Corp.’s (“Sable”) applications for Change in Owner, Operator, and Guarantor of the Santa Ynez Unit (the “SYU”) and related infrastructure.

These applications are part of Sable’s broader effort to restart the SYU and the corroded onshore pipelines that caused the 2015 oil spill at Refugio State Beach Park (the “Refugio Oil Spill”). Our clients were involved in the immediate response to the spill, and they remain concerned about the risks of operating the SYU and its attendant infrastructure. As to Sable in particular, they have well-founded concerns that this speculative company will not be able to safely restart these facilities, responsibly operate them, or fulfill its remediation obligations when another spill occurs.

To approve Sable’s applications, Chapter 25B of the County Code requires that the County consider, among other things, Sable’s financial stability, operational capacity, and compliance with existing permit conditions. As explained further below, the County cannot make many of the necessary findings to approve the applications.

¹ GOO! was formed in the wake of the 1969 Santa Barbara Oil Spill and continues to work to protect California from further oil and gas development and exploitation. SBCAN is a countywide grassroots organization that works to promote social and economic justice, to preserve our environmental and agricultural resources, and to create sustainable communities. EDC is a nonprofit public interest law firm that defends nature and advances environmental justice on California’s Central Coast through advocacy and legal action.

Indeed, Sable is uniquely vulnerable to financial insolvency, and it has not provided the financial assurances necessary to satisfy Chapter 25B. Sable is saddled with a \$790M debt, lacks a revenue stream, and is severely undercapitalized. If a spill were to occur during or soon after restart of the SYU — before Sable is profitable — it would not have the financial resources to respond to the spill, which could cost upwards of \$750M. Nor has Sable submitted necessary compliance plans to ensure it properly remediates a spill.

Compounding that concern is not only the likelihood of another spill occurring, but Sable’s track record as an operator. In the short time since it has acquired the SYU, Sable has already demonstrated a lack of diligence, an aversion to regulatory compliance, and a propensity to cut corners, all of which call its reliability as an operator into question.

Moreover, Sable is not in compliance with at least one of the permits that it is asking to be transferred, namely because its onshore pipelines lack effective protection from corrosion.

Accordingly, approval of Sable’s applications would not only be inconsistent with Chapter 25B, but a grave dereliction of the County’s duty to protect the public and ensure oil and gas facilities are responsibly operated. Thus, we urge the County to deny the transfers.

I. Background

A. The Facilities and Permits at Issue

The SYU is a long-dormant oil and gas production unit located on the Gaviota Coast. It consists of three offshore platforms and an onshore oil processing facility in Las Flores Canyon.² The SYU is permitted under Final Development Plan (“FDP”) Permit No. 87-DP-032cz (RV06) (the “SYU Permit”).

Once processed, crude oil from the SYU travels from Las Flores Canyon inland through CA-324 and CA-325 (the “Las Flores Pipeline System”), two aged, corroded pipelines that traverse sensitive coastal lowlands, perennial streams, and other sensitive habitat.³ The Las Flores Pipeline System is permitted under an FDP permit approved in 1986, and revised in 1988 and 2003 (the “LFP Permit”).

Natural gas produced in the SYU is processed at the Pacific Offshore Pipeline Company (“POPCO”) Gas Plant, which is also located in Las Flores Canyon.⁴ The POPCO Gas Plant is permitted under FDP Permit No. 93-FDP-015 and 74-CP-11(RV1) (the “POPCO Permit,” and together with the SYU and LFP Permits, the “Permits”).

² SYU, *POPCO Gas Plant & Las Flores Pipelines Permit Transfer*, Santa Barbara County, <https://www.countyofsb.org/4189/SYU-POPCO-Gas-Plant-Las-Flores-Pipelines> (last visited Oct. 18, 2024).

³ See *id.*

⁴ *Id.*

The Permits, which are subject to Chapter 25B of the County Code,⁵ currently list ExxonMobil Corporation (“Exxon”) as owner, operator, and guarantor. Per Chapter 25B, any owner, operator, or guarantor of the above-referenced facilities (the “Facilities”) must be listed on the applicable facility permit.⁶ The Permits are not transferable, and the owner, operator, or guarantor listed on the Permits cannot be changed, except in accordance with Chapter 25B.⁷

B. The Refugio Oil Spill and SYU Shut-In

On May 19, 2015, CA-324 ruptured at Refugio State Beach Park, releasing more than 120,000 gallons of heavy crude oil into the surrounding environment.⁸ The spill devastated approximately 150 miles of the California coast.⁹ Thousands of acres of shoreline and subtidal habitat were destroyed, and an untold number of animals — including marine mammals — were injured or killed.¹⁰ The spill also forced the closure of fisheries and beaches, which jeopardized local businesses and caused an estimated 140,000 lost recreational user days between Santa Barbara and Ventura Counties.¹¹

Upon investigation, the Pipeline and Hazardous Materials Safety Administration (“PHMSA”) determined that the rupture in CA-324 was a result of “progressive external corrosion,” and that the pipeline’s cathodic protection system — intended to prevent such corrosion — had failed.¹² Ultimately, PHMSA found pervasive metal loss throughout the entirety of the Las Flores Pipeline System, and it concluded that cathodic protection is ineffective in buried, insulated pipelines like CA-324 and CA-325.¹³

Following the spill, the Las Flores Pipeline System was emptied, purged, and idled, and it remains idle to date.¹⁴ Due to the unavailability of the system, the SYU was shut in, and production at the unit was suspended indefinitely.¹⁵ The SYU has not been operated for almost ten years.¹⁶

⁵ See County Code, § 25B-2.

⁶ *Id.* at § 25B-4(a).

⁷ *Id.* at 25B-4(c), (e)-(g).

⁸ California Department of Fish and Wildlife et al., *Refugio Beach Oil Spill Final Damage Assessment and Restoration Plan/Environmental Assessment*, p. 4 (June 2021) [hereinafter “NRDA”], available at: <https://nrm.dfg.ca.gov/FileHandler.ashx?DocumentID=193144&inline>.

⁹ *Id.* at 18.

¹⁰ *Id.* at 3-9.

¹¹ *Id.* at 3.

¹² Pipeline and Hazardous Materials Safety Administration, *Failure Investigation Report, Plains Pipeline, LP, Line 901, Crude Oil Release, May 19, 2015, Santa Barbara County, California*, pp. 3, 14 (May 2016) [hereinafter “PHMSA Report”], available at: https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/docs/PHMSA_Failure_Investigation_Report_Plains_Pipeline_LP_Line_901_Public.pdf

¹³ *Id.* at 14.

¹⁴ *Id.* at 3, 9.

¹⁵ *History*, ExxonMobil Santa Ynez Unit, <https://www.syu.exxonmobil.com/history> (last visited Oct. 18, 2024).

¹⁶ See *id.*

C. Sable's Dubious Origins and Plans to Restart the SYU

Having failed in its attempts to restart the SYU, Exxon recently looked to cut its losses and offload its SYU assets. Enter Sable, an entity specifically formed to chance the regulatory hurdles facing restart of these compromised facilities.

1. Sable's Origins

Sable began in 2020 as several special purpose entities, which were organized to evaluate and facilitate a potential acquisition of the SYU assets.¹⁷ The corporations were formed by current Sable CEO Jim Flores — a figure with a checkered history in the oil and gas industry.¹⁸

Flores first became familiar with Exxon's operations in the early 2000s, when he was running an upstream affiliate of the company responsible for the Refugio Oil Spill.¹⁹ In 2013, that affiliate was acquired by Freeport-McMoRan Copper & Gold, which retained Flores and appointed him co-chairman of its oil and gas division.²⁰ Freeport would part ways with Flores in just three years after suffering billions of dollars of losses under Flores' leadership.²¹

Shortly thereafter, Flores pivoted to Sable Permian Resources, which he and two private equity firms formed to acquire debt-laden oil and gas assets.²² It bankrupted in three years.²³ As the company floundered, Flores unsuccessfully attempted to secure a high pay-out for himself.²⁴

Flores has now cooked up Sable, setting his sights on yet another troubled oil and gas operation. And he has staffed his infant company with the same cast of executives that led Sable Permian to bankruptcy.²⁵

¹⁷ Flame Acquisition Corp., *Securities and Exchange Commission Schedule 14A Proxy Statement*, pp. 36-37, 174 (January 31, 2024), available at: https://www.sec.gov/Archives/edgar/data/1831481/000119312524020916/d377586ddefm14a.htm#toc377586_5

¹⁸ *Id.* at 174.

¹⁹ *Id.*

²⁰ See *id.*; Michael Erman and Julie Gordon, *Freeport makes \$9 billion energy bet; Wall Street pans deal*, Reuters (December 5, 2012), <https://www.reuters.com/article/idUSBRE8B40MY>.

²¹ Olivia Pushnelli, *Freeport-McMoRan Oil & Gas cuts jobs, eliminates executive positions*, Houston Business Journal (April 26, 2016), <https://www.bizjournals.com/houston/news/2016/04/26/freeport-mcmoran-oil-gas-to-cut-jobs-eliminates.html>; Asjlynn Loder, *\$6.5 Billion in Energy Writedowns and We're Just Getting Started*, Bloomberg (October 22, 2015), <https://www.bloomberg.com/news/articles/2015-10-23/-6-5-billion-in-energy-writedowns-and-we-re-just-getting-started>.

²² See Permian Resources, LLC, *Permian Resources Announces Consensual And Transformational Restructuring Transaction*, PR Newswire (May 1, 2017), <https://www.prnewswire.com/news-releases/permian-resources-announces-consensual-and-transformational-restructuring-transaction-300449054.html>.

²³ *Sable Permian Resources files for bankruptcy*, Reuters (June 26, 2020), <https://www.reuters.com/article/%20idUSL4N2E31TQ/>.

²⁴ Peg Brickley, *Sable Permian Heads off Fight Over Executive Bonuses*, Wall Street Journal (December 10, 2020), <https://www.wsj.com/articles/sable-permian-heads-off-fight-over-executive-bonuses-11607639171>.

²⁵ *Executive Management*, Sable Offshore Corp., <https://sableoffshore.com/governance/executive-management/default.aspx> (last visited Oct. 18, 2024).

2. Acquisition of the SYU and Sable's Financial Vulnerability

On February 14, 2024, Sable acquired the SYU from Exxon, including all its associated assets: the three offshore platforms, the subsea pipelines and infrastructure, the Las Flores Canyon processing facility, and the POPCO Gas Plant.²⁶ Sable also acquired Pacific Pipeline Co., and with it, the defunct Las Flores Pipeline System.²⁷

However, Sable, being undercapitalized, lacked the financial resources to fund the \$625 million deal with Exxon.²⁸ Thus, Sable was forced to secure a \$622 million loan from Exxon — a whopping 99% of the purchase price — just to finance it.²⁹ In exchange, Sable agreed that the SYU assets and their liabilities may revert to Exxon if the SYU is not back online by early 2026.³⁰

The SYU assets — which have not been operational for nearly ten years — remain Sable's only assets, leaving Sable without a reliable or predictable source of revenue.³¹ Sable is currently operating at an astounding \$426M deficit, and it will continue operating at a deficit until it restarts the SYU.³² It is unknown when a restart will occur, if at all.

Notably, Sable reports that restarting the SYU “will require significant capital expenditures in excess of current operational cash flow,” leaving it uniquely vulnerable to financial insolvency.³³ Thus, according to Sable itself, “substantial doubt exists about the Company's ability to continue,” and it “may have insufficient funds available to operate its business prior to first production.”³⁴

Moreover, even if restart occurs, Sable must repay Exxon's loan before it can begin comfortably generating profits. Sable currently owes Exxon \$790M on the loan, and the principal is rapidly accruing interest at 10 percent a year.³⁵ Significantly, the loan will mature

²⁶ Sable Offshore Corp., *Securities and Exchange Commission Form 8-K*, p. 2 (February 14, 2024), available at: <https://www.sec.gov/ix?doc=/Archives/edgar/data/1831481/000119312524036506/d737623d8k.htm>; Purchase and Sale Agreement between Exxon Mobil Corporation, Mobil Pacific Pipeline Company, and Sable Offshore Corp., § 2.2 [hereinafter “Purchase Sale Agreement”], available at: <https://www.sec.gov/Archives/edgar/data/1831481/000119312524036506/d737623dex1027.htm>.

²⁷ Purchase Sale Agreement, *supra* note 26, at § 2.2.

²⁸ *Id.* at § 3.1.

²⁹ Senior Secured Term Loan Agreement between Sable Offshore Corp. (f/k/a Flame Acquisition Corp.) as Borrower, Exxon Mobil Corporation as Lender, and Alter Domus Products Corp. as Administrative Agent, § 2.01, available at: <https://www.sec.gov/Archives/edgar/data/1831481/000119312524036506/d737623dex101.htm>.

³⁰ Purchase Sale Agreement, *supra* note 26, at § 7.3(c).

³¹ Sable Offshore Corp., *Securities and Exchange Commission Form 10-K*, p. 20 (March 28, 2024) (“Until we restart production of the SYU Assets, we will not generate any revenue or cash flows from operations.”), available at: <https://www.sec.gov/ix?doc=/Archives/edgar/data/1831481/000119312524080879/d11434d10k.htm>.

³² Sable Offshore Corp., *Securities and Exchange Commission Form 10-Q*, p. 1 (August 13, 2024) [hereinafter “Q2 Report”], available at: <https://d18m0p25nwr6d.cloudfront.net/CIK-0001831481/c153b62c-fae0-466b-bba5-0ecabd862d71.pdf>

³³ *Id.* at 31.

³⁴ *Id.* at 6.

³⁵ *Id.* at 16-17.

just ninety days after the restart of the SYU, at which point the entire principal is due.³⁶ Based on historical production rates of the SYU, Sable will not yet have the revenue to meet that obligation, likely leading to default and possible bankruptcy.³⁷

3. Sable's Dangerous Gambit to Restart the SYU

With the clock ticking on Sable's window to restart the SYU, Sable is, predictably, trying to cut any regulatory corners it can.

Being vulnerable to pervasive corrosion, few suspected that an operator would attempt to bring the Las Flores Pipeline System back online. In fact, Plains Pipeline L.P. ("Plains"), a previous owner, actually sought to replace the compromised pipelines, ostensibly due to their obvious safety defects.³⁸ However, as Plains' application to replace the pipelines was pending, Plains sold the Las Flores Pipeline System to Pacific Pipeline Co. ("PPC"), then a wholly-owned subsidiary of Exxon.³⁹ PPC later reneged on the plan to replace the pipelines, citing, in part, "a high degree of local permitting and business uncertainty . . . that has impacted investment commitment"⁴⁰

Following in Exxon's footsteps, Sable plans on restarting, rather than replacing, the existing Las Flores Pipeline System. In fact, pursuant to a recent settlement agreement that Sable reached with affected landowners, it is prohibited from replacing the Las Flores Pipeline System with safer, upgraded pipelines.⁴¹

Equally troubling is the waiver that Sable is seeking from the Office of the State Fire Marshal ("OSFM"), which assumed regulatory oversight of the Las Flores Pipeline System after the Refugio Oil Spill.⁴² Instead of remediating the underlying cause of the Refugio Oil Spill, Sable is seeking a waiver "for the limited effectiveness of cathodic protection" on the

³⁶ *Id.*; Senior Secured Term Loan Agreement, *supra* note 29, at 4.

³⁷ See Sable Offshore Corporation, *Investor Presentation*, p. 4 (September 20, 2024), available at: <https://sableoffshore.com/events-and-presentations/default.aspx>.

³⁸ See 901/903 Replacement Pipeline Project, County of Santa Barbara, <https://www.countyofsb.org/3801/901903-Replacement-Pipeline-Project> (last visited May 17, 2024).

³⁹ See Plains GP Holdings, L.P., *Securities and Exchange Commission Form 10-Q*, p. 27 (August 8, 2023), available at: https://www.sec.gov/Archives/edgar/data/1581990/000158199023000017/pagp-20230630.htm#i830e23a965c44a22b0562866c5a10bf5_139; see also Joshua Molina, *ExxonMobil Acquires Troubled Crude Oil Pipelines from Plains All American*, Noozhawk (October 17, 2022), https://www.noozhawk.com/exxonmobil_acquires_plains_all_american_crude_oil_pipelines/.

⁴⁰ Withdrawal Letter from Pacific Pipeline Company to County Department of Planning and Development (October 24, 2023), available at: <https://cosantabarbara.app.box.com/s/3gvdwbzta1119ss9r7cpkuvint1byuv/file/1343281220509>.

⁴¹ Stipulation and Agreement of Settlement at § 1.8, *Grey Fox, LLC et al. v. Plains All American Pipeline, L.P. et al.*, No. CV 16-0317 (C.D. Cal April 9, 2024), available at: <https://www.lasflorespipelinesystemsettlement.com/admin/api/connectedapps.cms.extensions/asset?id=a117f30d-1e80-46f4-b704-8cb47a4bddc3&languageId=1033&inline=true>.

⁴² See Memorandum of Understanding between PHMSA and OSFM (May 18, 2016), attached hereto as "Attachment A."

pipelines.⁴³ According to a recent analysis conducted by the County, operating the Las Flores Pipeline System without effective cathodic protection increases the likelihood of an oil spill by *five times*.⁴⁴

Should Sable proceed in this fashion, another spill is not a matter of if, but when. According to the County, restarting the Las Flores Pipeline System could result in a spill *every year*, and a rupture *every four years*.⁴⁵ The County estimates that another spill in the coastal zone could be nearly twice the size of the 2015 spill — even with Sable’s valve installations.⁴⁶

So, in sum, Sable intends to restart the Las Flores Pipeline System — and the SYU — without correcting the issues that led to the Refugio Oil Spill, and indeed, seeking a waiver to operate the pipelines despite those issues. All the while, Sable is rushing to complete repairs, largely in sensitive coastal habitat, while improperly circumventing state and local authority, as discussed further below.⁴⁷

Sable’s dangerous restart scheme, however, ultimately hinges on the transfer of the Permits from Exxon to Sable.

II. The County Must Deny Sable’s Applications because It Cannot Make the Requisite Financial Assurance Findings under Chapter 25B.

Sable is not the blue-chip company that Exxon is. It is a debt-laden, speculative company with no operational assets and no current revenue stream. It is severely undercapitalized, and its limited cash flow will continue to diminish unless and until the SYU is restarted. In Sable’s own words, “substantial doubt exists about the Company’s ability to continue.”⁴⁸

As it relates to financial assurances, Chapter 25B requires that Sable show it is financially capable of operating the Facilities in compliance with their respective permits, and that it has secured all financial guarantees required by the Permits.⁴⁹ Unsurprisingly, Sable is unable to do so, specifically because it:

(1) has not demonstrated that it has the financial capacity to remediate a worst-case spill from its facilities;

(2) has not obtained final Certificates of Financial Responsibility (“CFRs”) for its facilities, which are *required* by at least one of the Permits; and

⁴³ See Consent Decree, at Appendix B, Art. 1, § 1(A), U.S. v. Plains All American Pipeline, Civil Action No. 2:20-cv-02415 (March 13, 2020) [hereinafter “Consent Decree”], available at <https://www.epa.gov/sites/default/files/2020-03/documents/plainsallamericanpipelinelp.pdf>.

⁴⁴ Santa Barbara County, Administrative Draft of Draft EIR for Plains Pipeline Replacement Project, Section 5.6, p. 78 [hereinafter “County Draft EIR”], an excerpt of which is attached hereto as “Attachment B.”

⁴⁵ *Id.* at 79.

⁴⁶ *Id.*

⁴⁷ California Coastal Commission, *Notice of Violation*, pp. 2-3 (Sept. 27, 2024), attached hereto as “Attachment C.”

⁴⁸ Q2 Report, *supra* note 32, at p. 6.

⁴⁹ County Code, §§ 25B-9(a)(2), 25B-9(e)(1), 25B-10(a)(2), and 25B-10(a)(9).

(3) has not posted any performance bonds for the abandonment of its facilities, which are also *required* under the Permits here.

Accordingly, the County cannot make the necessary findings for approval in Sections 25B-9(a)(2), 25B-9(e)(1), 25B-10(a)(2), or 25B-10(a)(9).

A. Sable Has Not Shown that It Has Adequate Financial Resources to Remediate a Potential Spill, as Required by Chapter 25B.

As explained below, to approve the transfers, the County must find that Sable is financially capable of responding to a worst-case spill from its facilities. However, the worst-case spill volumes that Sable has provided have not been verified by the Office of Spill Prevention and Response (“OSPR”), rendering it impossible for the County to make this finding.

In any event, we know from the Refugio Oil Spill that responding to a worst-case spill would cost a *minimum* of \$750M. Thus, if a spill were to occur during Sable’s restart of the Facilities, or shortly thereafter, Sable would not have sufficient financial resources to remediate the spill. Accordingly, the County cannot make the findings in Sections 25B-9(a)(2), 25B-9(e)(1), 25B-10(a)(2), or 25B-10(a)(9).

1. Required Evidence of Financial Responsibility to Remediate Spills under Chapter 25B

While an application to transfer a permit under 25B contains different requirements depending on whether the transfer is a change of owner, operator, or guarantor, there is one requirement that remains consistent: financial guarantees.⁵⁰ Financial guarantees refer to “[a]ll necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance.”⁵¹

As relevant here, SYU Permit Condition XI-2.w states that, in the event of an oil spill, the permittee “shall be responsible for the cleanup of all affected coastal and onshore resources, and for the successful restoration of all affected areas and resources to prespill conditions.” According to County staff, to satisfy Chapter 25B’s “financial guarantees” requirement, Sable must “demonstrate financial capability for this condition.”⁵²

Similarly, Section 25B-10(a)(9) requires that Sable demonstrate it has the “resources necessary to operate the [Facilities] in compliance with the [Permits].” That includes SYU Permit Condition X.I-2.w, which, again, mandates that the permittee clean and remediate any oil spills. Likewise, Sable must “demonstrate[] the ability to comply with compliance plans listed in section 25B-10.1.f,” including Oil Spill Contingency Plans that outline spill response and

⁵⁰ *Id.* at §§ 25B-9(a)(2), 25B-9(e)(1), and 25B-10(a)(2).

⁵¹ *Id.*

⁵² Staff Report for a Change of Owner, Guarantor, and Operator for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline System Final Development Permits, pp. 10 [hereinafter “Staff Report”].

remediation methods.⁵³ Both Sable’s onshore and offshore facilities require Oil Spill Contingency Plans.⁵⁴

Collectively, then, Sable must show that it is financially capable of responsibly operating the Facilities and responding to an oil spill. That inquiry necessarily requires the County to determine whether Sable can bear the costs of a “worst-case” spill from its facilities.

Unfortunately, the worst-case spill volumes that Sable has disclosed for its facilities have not been verified — as discussed *infra* Part II.B — making it impossible for the County to make a finding that it can remediate a worst-case spill. **For that reason alone, the County simply cannot make the financial capability findings required by Sections 25B-9(a)(2), 25B-9(e)(1), 25B-10(a)(2), and 25B-10(a)(9).**

2. The \$750M Cost to Respond to the Refugio Oil Spill Establishes a Baseline for Financial Assurances.

Again, Sable’s failure to provide sufficient information about a worst-case spill is fatal to its applications. However, should the County see fit to further evaluate Sable’s capacity to respond to a spill, the Refugio Oil Spill offers a baseline for determining the financial resources necessary to do so.

Indeed, unlike many facilities, the County has unequivocal evidence of the potential damage that a spill at Sable’s facilities can cause. According to the California Department of Fish and Wildlife, when CA-324 ruptured in 2015, it released more than 120,000 gallons of crude oil into the surrounding environment.⁵⁵ Some estimates put the number as high as 450,000 gallons.⁵⁶

Just six weeks after the spill, Plains estimated that it had already spent nearly \$100M in clean-up costs.⁵⁷ In the years that followed, Plains would go on to spend hundreds of millions more dollars for further clean-up, natural resource damage assessments, civil penalties, and settlements with affected business and property owners.⁵⁸ As of December 31, 2023, Plains “estimate[d] that the aggregate total costs we have incurred or will incur with respect to the [Refugio Oil Spill] will be approximately \$750 million.”⁵⁹

⁵³ County Code, § 25B-10(a)(6), (9); *see also* SYU Permit, Condition IV-E.2; LFC Permit, Condition P-5.

⁵⁴ *See* County Code, § 25B-10(a)(6), (9); SYU Permit, Conditions IV-E.2; LFP Permit, Condition P-5,

⁵⁵ NRDA, *supra* note 8, at 4.

⁵⁶ Expert Report of Igor Mezic, Ph.D., *Andrews v. Plains All American Pipeline, LP*, October 21, 2019, pp. 16-17.

⁵⁷ *Refugio oil spill cleanup costs near \$100 million*, Pacific Coast Business Times (June 27, 2015),

<https://www.pacbiztimes.com/2015/06/27/refugio-oil-spill-cleanup-costs-near-100-million/>

⁵⁸ *See, e.g.*, Settlement Agreement at Art. 3, *Andrews et al. v. Plains All American Pipeline, L.P. et al.*, No. 2:15-cv-04113-PSG-JEM (C.D. Cal. May 12, 2022), available at: <https://www.plainsoilspillsettlement.com/admin/api/connectedapps.cms.extensions/asset?id=028b30fd-95e1-4e64-a236-2d84bb1b6907&languageId=1033&inline=true>; Consent Decree, *supra* note 43; Pipeline and Hazardous Materials Safety Administration, *Valuation of Crude Oil Spills in Transportation Incidents*, p. 78 (April 2023) 2016), available at:

<https://www.phmsa.dot.gov/sites/phmsa.dot.gov/files/2023-10/PHMSA-OilSpillCosts-Report-Final.pdf>

⁵⁹ Plains All American Pipeline, L.P., *Securities and Exchange Commission Form 10-K*, p. F-56 (Feb. 28, 2024), available at: https://www.annualreports.com/HostedData/AnnualReports/PDF/NYSE_PAA_2023.pdf.

The Refugio Oil Spill gives us invaluable information about what a spill could look like at Sable's facilities, and the cost of restoring affected areas to pre-spill condition. But it is only one scenario, not the *worst-case* scenario. It is easy to see how a spill could be far more catastrophic, especially if a rupture were to occur in Sable's subsea pipelines. Even another spill from its onshore pipelines could be twice the size of the Refugio spill, says the County.⁶⁰

In other words, we know that the volume of a *worst-case* spill can only be higher, not lower, than what we saw in the Refugio Oil Spill. Thus, the figures associated with the Refugio Oil Spill (totaling \$750M) represent the absolute floor for evaluating the financial resources necessary to respond to a spill.

3. Sable Lacks Sufficient Capital and Insurance Coverage to Remediate a Spill.

Sable is currently operating at a \$426M deficit, and it will not have a revenue stream unless and until it restarts the SYU. Without any reliable income, Sable itself acknowledges that it could have little to no capital on hand at the time it resumes production, which would leave it incapable of remediating a spill.⁶¹

In its most recent quarterly report, Sable reported that it has just \$112M in cash or cash equivalents.⁶² Yet it estimates that its remaining start-up expenses — which are “expected to [be paid] from cash on hand” — amount to approximately \$197M.⁶³ Thus, as Sable acknowledges, “[its] plans for restarting production, including restarting the existing wells and facilities and recommencing transportation through the Pipelines, will require significant capital expenditures in excess of current operational cash flow.”⁶⁴

Moreover, Sable notes that its remaining expenditures “will primarily be directed toward obtaining the necessary regulatory approvals and completing the pipeline repairs and bringing the shut-in assets back online” But Sable neglects to account for additional financial burdens, such as ongoing litigation that may be an impediment to restart. Despite its recent settlement with the County, it is incurring attorney fees in litigation with private landowners⁶⁵ and in federal litigation regarding lease extensions for its offshore platforms.⁶⁶ It was also recently notified by CalGEM that it may have to post a bond for the decommissioning of some of its “production facilities.”⁶⁷ Thus, Sable's \$197M estimate for additional costs may be well undervalued.

⁶⁰ County Draft EIR, *supra* note 44, at 79.

⁶¹ Q2 Report, *supra* note 32, at 6.

⁶² *Id.* at 1.

⁶³ *Id.* at 31.

⁶⁴ *Id.*

⁶⁵ See Complaint, Zaca Preserve, LLC v. Sable Offshore Corp. et al., Santa Barbara County Case No. 24CV05483.

⁶⁶ See Sable Offshore Corp.'s Motion to Intervene, Center for Biological Diversity et al. v. Debra Haaland et al., No. 2:15-cv-04113-PSG-JEM (C.D. Cal. May 12, 2022), Case No. 2:24-cv-05459, Central District, Motion to Intervene.

⁶⁷ See CalGEM letter to Sable (Sept. 26, 2024), attached hereto as “Attachment D.”

And, even after restart, Sable would likely struggle to replenish its cash on hand in the face of its \$790M debt to Exxon.⁶⁸ Sable will be incentivized to pay down its debt to Exxon as soon as possible to reduce the size of its interest payments, dramatically extending the period in which Sable is operating at a deficit. Not to mention, *the entire \$790M debt comes due just ninety days after restart.*⁶⁹

Of course, all of this begs the question: how much capital will Sable actually have on hand when it resumes operations and in the months following? Even Sable acknowledges the possibility that it will exhaust its remaining capital before it restarts the SYU.⁷⁰ County staff do not account for this scenario, which is a very real possibility for which the County must be prepared.⁷¹ Indeed, according to Sable itself, “*substantial doubt* exists about the Company’s ability to continue.”⁷²

Consider what would happen if Sable diminishes its \$112M in cash — as it expects to — and a worst-case spill occurs during or shortly after Sable’s restart of the SYU. The SYU would once again become a crippling economic burden, and Sable would not have the financial resources to clean up the spill, compensate affected property owners, or pay for natural resources damages and restoration. Even the \$112M in cash that Sable has on hand today would cover only a fraction of its financial obligations, which, as discussed, would start at around \$750M. And that does not even account for Sable’s \$790M debt to Exxon, for which Sable would still be on the hook, and which raises its total possible liabilities to around \$1.5B.

Nor would Sable’s insurance coverage be sufficient to cover the costs. Sable submitted one Certificate of Liability Insurance to the County, which applies only to its offshore facilities. While the coverage appears to be for \$401M, that would be insufficient to fully respond to a worst-case spill, as explained above.

Notably, Sable has not submitted a Certificate of Insurance for its onshore facilities. It is unclear if Sable has liability coverage for its processing plants, but we are aware that it may have coverage of up to \$100M for the Las Flores Pipeline System. However, recall that, in the wake of the Refugio spill, Plains spent \$100M in clean-up costs in just a few weeks.

Nonetheless, County staff suggest that Sable’s insurance coverage is adequate for purposes of Chapter 25B.⁷³ That may have been true of Exxon, whose capitalization was never in question. But with Sable, it is distinctly possible that it has little to no capital on hand at the time it actually restarts the SYU, as explained above. Thus, even if Sable’s insurer approves a claim, Sable could still potentially face a deficit of hundreds of millions of dollars — especially if a spill were to occur from its onshore facilities. In this likely scenario, Sable would be unable to complete clean-up and restoration, compensate affected landowners and businesses, and pay required civil penalties.

⁶⁸ Q2 Report, *supra* note 32, at 17.

⁶⁹ Senior Secured Term Loan Agreement, *supra* note 29, at 4.

⁷⁰ Q2 Report, *supra* note 32, at 6.

⁷¹ See Staff Report, *supra* note 52, at 10, 24, and 29.

⁷² Q2 Report, *supra* note 32, at 31 (emphasis added).

⁷³ Staff Report, *supra* note 52, at 10, 24, and 29.

Additionally, the scope of Sable’s insurance coverage is unclear from the Certificate of Insurance that it submitted. For example, does the insurance only apply to “wells,” which are specifically referenced, or does it extend to subsea pipeline ruptures? Does it cover negligent behavior, similar to what we saw with Plains? Without the actual policy, the County simply cannot assess the possible limitations on Sable’s coverage, and thus the adequacy of its insurance.

Again, under Chapter 25B, the County must find that Sable is financially capable of remediating a worst-case spill, the total cost of which could be upwards of \$750M. Because Sable cannot assure the County that it will be able to bear that financial burden, the County cannot make the findings in Sections 25B-9(a)(2), 25B-9(e)(1), 25B-10(a)(2), or 25B-10(a)(9), and it must therefore deny Sable’s applications.

B. Sable’s Lack of Final CFRs is Disqualifying.

Tellingly, Sable has yet to complete its financial responsibility review with OSPR, which requires showing that it is financially capable of remediating a worst-case spill.⁷⁴ While Sable has apparently obtained *preliminary* CFRs from OSPR, they are based on spill estimates that have not yet been verified by OSPR, and thus are subject to modification or revocation. As explained below, Sable must obtain *final* CFRs before the County can approve a transfer.

1. Sable’s CFRs are Preliminary and Inadequate for Purposes of Chapter 25B.

To operate its facilities, Sable must obtain CFRs from OSPR for its subsea pipelines and the Las Flores Pipeline System.⁷⁵ To do so, OSPR regulations require that Sable demonstrate it is financially capable of remediating a worst-case spill from these facilities.⁷⁶ The amount of financial assurances that Sable must provide is determined by calculating the worst-case spill volumes for each facility, and then plugging those figures into an equation set forth in OSPR regulations.⁷⁷

Importantly, however, the worst-case spill volume must come from an approved Oil Spill Contingency Plan, where it is carefully calculated with oversight from OSPR.⁷⁸ But Sable does not have an approved contingency plan for either its onshore or offshore facilities, as discussed *infra* Part IV. Where a CFR applicant does not have an approved contingency plan, OSPR takes the applicant’s estimates at face value and issues a *preliminary* CFR.⁷⁹ Later, when the applicant’s contingency plan is approved, it modifies the CFR to accurately reflect the worst-case

⁷⁴ See 14 CCR § 791.7(h).

⁷⁵ See 14 CCR § 791.7(h).

⁷⁶ See *id.*

⁷⁷ See 14 CCR § 791.7(h)(B).

⁷⁸ See *id.*

⁷⁹ David Reinhard (Chief of Preparedness, OSPR), Telecommunication Meeting (Oct. 23, 2024).

spill volume that was verified by OSPR.⁸⁰ And OSPR may revoke the CFR if the applicant cannot provide adequate financial assurances.⁸¹

That is what has occurred here. The CFRs that Sable submitted to the County are *preliminary* CFRs based on Sable’s unsubstantiated estimates of worst-case spill volumes. They will be subject to change, and possibly revocation, after those estimates are properly verified by OSPR.

In fact, these preliminary CFRs are *likely* to be modified or revoked, as Sable appears to have severely underestimated the worst-case spill volumes for its facilities. For example, Sable’s estimate for CA-324 — the pipeline that caused the Refugio Oil Spill — is only 1,935 barrels. But the Refugio Oil Spill was closer to 3,000 barrels.⁸² And the County has estimated that another spill from CA-324 could be twice that size, even with the addition of automatic shutoff valves.⁸³ Likewise, Sable’s estimate for a spill from its subsea pipelines is exceedingly low — just 624 barrels.

If OSPR ultimately determines that the worst-case spill volumes for these facilities are much higher, it will require additional financial assurances before Sable can obtain *final* CFRs. For example, for the Las Flores Pipeline System, Sable has apparently demonstrated financial responsibility up to \$100M. But the *verified* spill volume may require additional assurances, possibly up to \$300M.⁸⁴ And it is unclear if Sable will be able to provide such assurances. As discussed at length above, Sable has only \$112M in cash — which is steadily diminishing — and only \$100M in insurance coverage for its onshore facilities.

Accordingly, the *preliminary* CFRs that Sable submitted do not actually verify that it is financially capable of remediating a worst-case spill at its facilities, and they are thus inadequate for purposes of Chapter 25B. To conclude otherwise would lead to an absurd application of Chapter 25B: an entity could obtain preliminary CFRs by claiming whatever spill volume it pleases, use those CFRs to obtain County approval for a transfer of ownership, and then promptly have those CFRs revoked once OSPR completes its review. Construing Chapter 25B — and the Permits — to allow such a scenario would fundamentally undermine the ordinance’s financial guarantee requirement.

2. A Final CFR is a Financial Guarantee that is Required by the SYU Permit.

Sable *must* obtain a CFR to comply with the SYU Permit, which mandates that the permittee “provide the County with copies of its [CFRs]” as part of its duty to demonstrate financial responsibility.⁸⁵ Thus, before the County can approve a transfer of the SYU Permit, Chapter 25B requires that Sable obtain an adequate CFR for applicable facilities permitted

⁸⁰ *Id.*

⁸¹ *Id.*

⁸² NRDA, *supra* note 8, at 4.

⁸³ County Draft EIR, *supra* note 44, at 79.

⁸⁴ See 14 CCR 791.7(h)(B).

⁸⁵ SYU Permit, Condition XI-2.w.

therein — i.e., its subsea pipelines (portion in state waters).⁸⁶ As explained above, Sable has failed to do so.

Importantly, it is insufficient for Sable to give assurances that it will eventually secure an adequate CFR. Section 25B-10(a)(9) requires that Sable affirmatively demonstrate that it can comply with all permit conditions before a transfer occurs. That includes the SYU Permit's requirement to obtain an adequate CFR.⁸⁷ Since it is unclear whether Sable will be able to meet that condition, as explained above, Chapter 25B requires that Sable obtain and provide a final CFR *prior* to ownership transfer.

3. Under the Circumstances, Sable Must also Obtain CFRs for the Las Flores Pipeline System.

Unlike the SYU Permit, the LFP Permit does not explicitly require CFRs as a financial guarantee. But Sable must still produce them under the circumstances.

Generally, Chapter 25B does not allow the County to require a proposed operator or guarantor to produce financial guarantees that are not required by permit.⁸⁸ However, an exception exists where a facility “is transferred from a financially strong company to a weaker one.”⁸⁹ In such cases, the County may review outside assurances and “amend a permit to require insurance or other guarantees, in order to preserve financial assurances that were provided (either explicitly or implicitly) through the financial strength of the previous owner or operator.”⁹⁰ As such, the County may “impose additional conditions on the permit” to maintain financial assurances.⁹¹

Indeed, “[t]hat the previous owner was not required to obtain insurance or provide other guarantees[] does not automatically carry over to a new owner or operator. Unless the new owner or operator also has sufficient resources to self-insure, [the County] may add a permit condition requiring financial assurances.”⁹²

Because this is quite obviously a case where facilities are being transferred from a stronger company (Exxon) to a weaker company (Sable), the County may require, via permit amendments or otherwise, that Sable submit adequate CFRs for the Las Flores Pipeline System. And it would be irresponsible not to: these pipelines have already caused a catastrophic oil spill, they are prone to rupturing again, and Sable has not otherwise assured the County that is financially capable of responding to another spill.

⁸⁶ See County Code, §§ 25B-9(a)(2), 25B-9(e)(1), and 25B-10(a)(2).

⁸⁷ See SYU Permit, Condition XI-2.w.

⁸⁸ Santa Barbara County Energy Division, *Guidelines to Implement Chapter 25B Guidelines*, p. 13 (June 13, 2022) [hereinafter “Chapter 25B Guidelines”].

⁸⁹ *Id.*

⁹⁰ Chapter 25B Guidelines, *supra* note 88, at 13.

⁹¹ County Code, § 25B-10(b).

⁹² Chapter 25B Guidelines, *supra* note 88, at 13.

Thus, before approving a transfer of the LFP Permit, the County can — and should — require that Sable submit final CFRs for the pipelines.

4. Without Final CFRs, Sable has not Offered any Assurance that it Can Remediate a Worst-Case Spill.

Again, Chapter 25B requires that the County ensure that Sable is financially capable of remediating a worst-case spill. However, the worst-case spill volumes that Sable has disclosed for its facilities have not been verified. As discussed, we know that the Refugio Oil Spill provides a baseline, but we can only speculate as to the actual scope of a worst-case disaster. According to the County's own analysis, it is likely that a spill could be nearly double the size of the Refugio Oil Spill.⁹³

It is simply premature to approve a transfer of the Permits when Sable has not conclusively demonstrated it can remediate a worst-case spill, and when OSPR, the agency charged with making that determination, has not completed its review. At the very least, the County should consider Sable's lack of final CFRs as compelling evidence that it lacks the financial responsibility required by Chapter 25B.

In sum, then, having not produced final CFRs for its facilities, the County cannot make the findings in Sections 25B-9(a)(2), 25B-9(e)(1), 25B-10(a)(2), or 25B-10(a)(9), and it must therefore deny Sable's applications.

C. Sable Must Post Performance Bonds for its Facilities before a Transfer can be Approved.

As noted, before the County can approve the proposed transfers, Chapter 25B requires that Sable secure/submit any financial guarantees that are required by the Permits.⁹⁴ That includes performance bonds for the abandonment of its facilities, which is *required* by the POPCO Permit, and may be required, at the County's option, for Sable's remaining facilities.

1. The POPCO Permit Requires that Sable Post a Performance Bond for the Abandonment of the Facility.

As staff acknowledges, Condition Q-2 of the POPCO Permit "requires the permittee to be responsible for the proper abandonment of the facility."⁹⁵ Specifically, Condition Q-2 provides as follows:

Immediately following permanent shut down of the facilities permitted herein, [the permittee] shall abandon and restore all facility sites covered under this permit consistent with County policies on abandonment and restoration of said facilities in effect at that time. Absent any policies, [the permittee] shall remove

⁹³ County Draft EIR, *supra* note 44, at 79.

⁹⁴ County Code, §§ 25B-9(a)(2), 25B-9(e)(1), and 25B-10(a)(2).

⁹⁵ Staff Report, *supra* note 52, at 26; *see also* POPCO Permit, Condition Q-2.

any and all abandoned processing facilities and portions of the import pipeline, buried or unburied, constructed and/or operated under this permit, excavate any contaminated soil, re-contour all sites and revegetate all sites in accordance with a County approved abandonment and restoration plan within one year of permanent shut down. *[The permittee] shall post a performance bond*, or other security device acceptable to County Counsel, in an amount determined by the County.⁹⁶

Despite the plain language of the condition, staff claim that Sable only needs to post a bond *after* the permanent shutdown of the facility, and thus “no current financial guarantee is needed.”⁹⁷ Staff is mistaken.

Staff appear to misread this condition as stating: “Immediately following permanent shut down . . . POPCO shall post a performance bond.” That is not what the condition says. It says that *abandonment* should occur “immediately following” shutdown, which makes sense. But the bonding requirement is not so qualified.

Put differently, the condition imposes two requirements: (1) to abandon the facility “immediately following” shutdown, and separately, (2) to post a performance bond to ensure abandonment and restoration are completed. Staff have improperly applied the qualifying language in the first requirement — “immediately following” — to the second requirement, changing the intended meaning of the condition.

Not only does staff’s interpretation defy the plain language of the condition, it is nonsensical. The purpose of a bond is to guarantee that the operator will properly abandon the facility and restore the site after it is shut down. But there are any number of reasons why a facility may be shut down, including because an operator has gone bankrupt or does not have sufficient capital to continue operations. In that case, the operator would not be able to fund the abandonment of the facilities, leaving the County to pick up the pieces. Thus, the only way to ensure the proper abandonment of the facility is to require a bond when an operator acquires the facility, not after it has shut it down.

Accordingly, per the plain language of Condition Q-2, Sable is required to post a performance bond for the abandonment of the POPCO Gas Plant. If it fails to do so, the County cannot make the necessary “financial guarantee” findings in Section 25B-9(a)(2), 25B-9(e)(1), and 25B-10(a)(2) for the transfer of the POPCO Permit.

2. The County Can — and Should — Require that Sable Post Performance Bonds for the Abandonment of its Other Facilities.

Unlike the POPCO Permit, the SYU and Las Flores Canyon Pipeline Permits give the County an option to ensure compliance with abandonment procedures: either require that the permittee post a performance bond, or allow the permittee “to pay property taxes as assessed

⁹⁶ POPCO Permit, Condition Q-2 (emphasis added).

⁹⁷ Staff Report, *supra* note 52, at 26.

during project operation until site restoration is complete.”⁹⁸ For obvious reasons, the County should elect the former.

As discussed at length above, Sable is steadily losing capital and will not be profitable until it restarts the SYU. Thus, it is a distinct possibility that Sable runs out of funds before it can restart production, which Sable itself acknowledges.⁹⁹ If that were to occur, absent a performance bond, the County (or some other public entity) would have to foot the bill for the abandonment of Sable’s facilities.

Surprisingly, staff nonetheless suggest that it would suffice for Sable to pay property taxes rather than post a bond.¹⁰⁰ In doing so, it cites Sable’s \$112M in cash or cash equivalents, which it claims are “sufficient to cover the continued payment of property taxes.”¹⁰¹ But staff ignores that Sable (1) estimates it will spend an additional \$197M in cash expenditures before restarting; (2) is operating at a \$426M deficit and will continue to do so until restart; and (3) in light of its capital concerns, may bankrupt well before the abandonment process, either because it fails to restart its facilities, or because it cannot cover the costs of another disaster.

Accordingly, the only way to ensure the public is not left responsible for abandonment costs is to require Sable to post performance bonds for each of its facilities. Thus, the County should exercise its discretion to do so.

III. The County Must Deny Sable’s Applications because Exxon and Sable are Not in Compliance with All Existing Permit Conditions.

Section 25B-9(a)(5) and 25B-10(a)(5) prohibit the County from approving a change of owner or operator unless Exxon was in compliance with all requirements of the Permits as of July 30, 2024 — the date Sable’s applications were deemed complete.¹⁰² However, to date, Exxon and Sable are not in compliance with the LFP Permit because the Las Flores Pipeline System lacks effective cathodic protection.

The Conditions for the Los Flores Pipeline System incorporate “the procedures, operating techniques, design, equipment and other descriptions” articulated in the 1985 pipeline system Environmental Impact Report (“EIR”) as “required elements” of the permit.¹⁰³ Specifically, Condition A-7, Substantial Conformity, provides:

The procedures, operating techniques, design, equipment and other descriptions (hereinafter procedures) described in 83-DP-25 cz, 83-CP-97 cz and in subsequent clarifications and additions to that application and the Final Development Plan are incorporated herein as permit conditions and shall be *required elements* of the project. *Since these procedures were part of the project*

⁹⁸ SYU Permit, Condition XIX-1; LFP Permit, Condition O-1.

⁹⁹ Q2 Report, *supra* note 32, at 6, 31.

¹⁰⁰ Staff Report, *supra* note 52, at 9, 31.

¹⁰¹ *Id.*

¹⁰² County Code, §§ 25B-9(a)(5), 25B-10(a)(5).

¹⁰³ LFP Permit, Condition A-7.

description which received environmental analysis, a failure to include such procedures in the actual project could result in significant unanticipated environmental impacts. Therefore, modifications of these procedures will not be permitted without a determination of substantial conformity or a new or modified permit. The use of the property and the size, shape, arrangement and location of buildings, structures, walkways, parking areas and landscaped areas shall be in substantial conformity with the approved Final Development Plan.¹⁰⁴

The 1985 EIR's description of the Las Flores Pipeline System articulates the following regarding protection from external corrosion:

Protection of a pipeline from corrosion is of critical importance to the environment as well as the pipeline operator. Pitting of the pipeline can occur due to chemical reaction between the soil and the carbon steel pipe if it is not adequately protected. This pitting would eventually reduce the strength of the pipe sufficiently to cause a break and allow an oil leak. Therefore, [the operators] intend to wrap the pipelines in accordance with applicable regulations. Additionally, cathodic protection would be installed as required within 12 months of the pipeline installation dependent upon soil and chemical conditions. Corrosion control test stations would be installed with which to test the integrity of the corrosion protection. This is all in accordance with 49CFR-195.¹⁰⁵

Additionally, the EIR provides "[t]he entire pipeline would be protected from corrosion with cathodic protection systems consisting of groundbeds and rectifiers."¹⁰⁶ The Project Description further provides "[m]aintenance activities associated with the pipeline and the ROW would include the following: . . . Inspection and maintenance of cathodic protection systems."¹⁰⁷

As we now unfortunately know, these pipelines' cathodic protection system is ineffective in preventing corrosion from occurring beneath their coating/insulation system, which is what ultimately caused the devastating Refugio Oil Spill.¹⁰⁸ However, instead of remediating the issue, Sable is seeking a waiver from OSFM to operate the pipelines without effective protection from corrosion.

True, the Las Flores Pipeline System was constructed with a cathodic protection system, as Sable may point out. But the LFP Permit requires *effective* cathodic protection, which is what

¹⁰⁴ *Id.*, emphasis added.

¹⁰⁵ California State Lands Commission et al., *Draft Environmental Impact Report Environmental Impact Statement*, p. 4-106 (August 1984) (emphasis added) [hereinafter "Draft Celeron EIR"]. Note that the Final EIR published in 1985 is a finalizing addendum to the 1984 Draft EIR. The preface of the Final EIR explains that the Final EIR is intended to be read "in conjunction with, rather than in place of, the Draft EIR/EIS that was released for public review on August 1, 1984." Thus, collectively, the two documents and their appendices form the project EIR.

¹⁰⁶ *Id.* at 2-5.

¹⁰⁷ *Id.* at 2-24.

¹⁰⁸ PHMSA Report, *supra* note 12, at 3, 14.

was contemplated in the original project description for the pipelines and its EIR. To construe the permit otherwise would, effectively, altogether eliminate the requirement that pipelines have cathodic protection.

The County cannot ignore the critical fact that the liner system has been compromised and **the Las Flores Pipeline System is not protected from external corrosion**. The EIR is clear that “[p]rotection of a pipeline from corrosion is of critical importance to the environment.”¹⁰⁹ As the County calculated in its Draft EIR for a replacement pipeline project, the limited effectiveness of cathodic protection makes the risk of an oil spill five times greater than was initially envisioned, potentially resulting in a spill every year.¹¹⁰

Finding that Exxon, as the current owner and operator, is in compliance with the project description when the pipelines are not protected from external corrosion is simply nonsensical. The lack of an effective system of cathodic protection leaves the project susceptible to the very environmental impacts that section Condition A-7 is designed to prevent. Therefore, the Planning Commission cannot find that Exxon is in compliance with this permit condition.

IV. The County Must Deny Sable’s Applications because It Has Not Submitted All Necessary Compliance Plans and Demonstrated a Capability of Complying with Those Plans.

Pursuant to Section 25B-10(a)(6) and (9), Sable must submit an updated Oil Spill Contingency Plan for its facilities, and it must demonstrate the ability to comply with the plans. However, Sable has failed to submit an adequate Oil Spill Contingency Plan for the Las Flores Pipeline System, and has altogether failed to submit a contingency plan that encompasses its subsea pipelines (portion in state land).

The purpose of an Oil Spill Contingency Plan is, in part, to identify a facility’s worst-case spill volume, where a worst-case spill would occur, and how the operator would respond to and remediate a worst-case spill.¹¹¹ However, in the Integrated Contingency Plan (“ICP”) that Sable submitted to the County, Sable claims that a worst-case spill from the Las Flores Pipeline System would be 0 barrels, presumably because the pipelines are currently inactive.¹¹² Thus, the plan fails to address the actual worst-case spill volume that would come from the pipelines when they become operational, and how Sable would respond to a worst-case spill. That is to say, Sable does not actually have an updated Oil Spill Contingency Plan in place for active operations.

Notably, whether an Oil Spill Contingency Plan is adequate for the purposes of the LFP Permit turns on whether the plan is “consisten[t] with the intent of the condition ‘to detail site restoration subsequent to emergency response.’”¹¹³ Because Sable’s plan only considers the pipelines in their *idle* state, it necessarily fails to address the scope of a possible spill and how

¹⁰⁹ Draft Celeron EIR, *supra* note 105, at 4-105.

¹¹⁰ County Draft EIR, *supra* note 44, at 79.

¹¹¹ See 14 CCR § 816.03(b)(E), (F).

¹¹² Sable Offshore Corp., *Pacific Pipeline Company Integrated Contingency Plan*, p. 14-3 (April 2024).

¹¹³ LFP Permit, Condition P-5.

Sable would contain a worst-case spill. Thus, it is patently deficient for purposes of the LFP Permit, and for Chapter 25B.

Indeed, the County would not be the first governing body to find Sable's plan inadequate. This exact plan was already rejected by OSPR — an agency with special expertise in contingency plans — in part for the reasons outlined above.¹¹⁴ As County staff allude to, Sable's Oil Spill Contingency Plan "require[s] formal approval from other regulatory agencies" — i.e., OSPR — before a transfer can be approved.¹¹⁵

Even more damning is that Sable has altogether failed to submit an Oil Spill Contingency Plan for its offshore facilities, including those permitted under the SYU Permit — i.e., its subsea pipelines.¹¹⁶ Moreover, it is not apparent that Sable even has an offshore contingency plan; according to OSPR, it has yet to approve one. The SYU Permit contemplates that the permittee must have a contingency plan in place to respond to a spill. And it is explicitly required under Section 25B-10(a)(6) and (9).

Accordingly, because Sable lacks an adequate Oil Spill Contingency Plan for the Las Flores Pipeline System, and altogether lacks a plan for its offshore facilities, Sable is not in compliance with the LFP or SYU Permits, and it has not demonstrated it can comply with all necessary compliance plans required by Chapter 25B. Thus, the County cannot approve a transfer of owner or operator of the permit.¹¹⁷

V. Sable's Management Team has Shown that it is Unreliable, Averse to Regulation, and Lacks the Capability to Responsibly Operate the Facilities as Required by Chapter 25B.

Section 25B-10(a)(9) provides that the County shall only approve an application for a change of operator if the operator is found capable. Specifically, the proposed operator must have "the skills, training, and resources necessary to operate the permitted facility" and the operator's past behavior must not "reflect a record of non-compliant or unsafe operations systemic in nature for similar facilities to those being considered for operatorship."¹¹⁸

As to operational capacity, staff have largely copied and pasted information that Sable provides on its website, painting a rosy picture of an entity that is staffed with experienced personnel. But Sable's actions to date tell a far different story. Sable's history, propensity to cut regulatory corners, and even its recent struggle to submit a complete application for this very transfer request, all indicate that Sable's management team cannot be relied on to safely operate these facilities.

A. Recent Failures and Unsafe Practices in the Oil and Gas Space

¹¹⁴ E-correspondence from Rachel Fabian, OSPR, to Jeremy Frankel, EDC (Aug. 23, 2024), attached hereto as "Attachment E."

¹¹⁵ Staff Report, *supra* 52, at 17.

¹¹⁶ SYU Permit, Conditions IV-E.2, XI-2.e., and XI-2.w.

¹¹⁷ See County Code, §§ 25B-9(a)(5), 25B-10(a)(5), 25B-10(a)(6), and 25B10(a)(9).

¹¹⁸ County Code, § 25B-10(a)(9).

While Sable intends to retain experienced staff from the prior operator, their management team leaves much to be desired. Sable is managed by their CEO, James C. Flores, and “a management team that have historically worked with Mr. Flores in the oil and gas exploration and production business.”¹¹⁹ While Sable — and staff — tote this team’s “more than thirty years” of experience,¹²⁰ Sable fails to disclose the fate of Flores’ most recent endeavors. Flores’ leadership roles at Freeport-McMoran and Sable Permian Resources, both of which suffered massive financial losses under his management, cast tremendous doubt on his team’s capability to operate an oil project successfully and responsibly.¹²¹

While running Sable Permian, Flores and his team allegedly cut corners in pursuit of short-term profits, ultimately to the detriment of the company.¹²² Tom Laughery, who worked on distressed credit analysis at Silverback Asset Management during Flores’ time at Sable Permian, described Flores’ management of Sable Permian in scathing terms:

Sable Permian was poorly run. It was not a high-quality asset base to begin with and it was drilled horribly. Flores and his team drilled the wells way too densely. It was basically destroying the company for near term quarterly results. And that was back in the day when everyone thought no one would look at the data. It was very scammy.¹²³

That disregard for safety already appears to be rearing its head. There has **already been a spill since Sable took over, and operations have not even begun.**¹²⁴ Making matters worse, Sable does not even have an adequate plan in place to respond to a spill, as discussed *supra* Part IV.

B. Sable’s Pattern of Deceptive Statements and Efforts to Conceal Risks of its Restart Plan

After acquiring the SYU, the company told investors that it intended to restart production during the third quarter of 2024.¹²⁵ Despite numerous regulatory setbacks, Sable reaffirmed this prediction in its quarterly report filings on August 13, 2024, but allowed that restart could occur in early fourth quarter 2024.¹²⁶ Now, Sable has adjusted its prediction to the fourth quarter of 2024.¹²⁷

¹¹⁹ Sable Offshore Corp., *Application for Change of Owner, Operator and Guarantor of Oil and Gas Facilities: Santa Ynes Unit (“SYU”) Project*, p. 4. (March 14, 2024), available at: <https://cosantabarbara.app.box.com/s/urgblguikn7jlo1igrq5yz55zyiveo7k/file/1489580351768>.

¹²⁰ *Id.*; Staff Report, *supra* note 52, at 20.

¹²¹ Daniel Sherwood, *Sable Offshore’s Oil Restart May Be Pipe Dream*, Hunterbrook Media (April 17, 2024), <https://hntrbrk.com/sable/>.

¹²² *Id.*

¹²³ *Id.*

¹²⁴ Sable Offshore Corp., *Incident Report Form* (Sept. 13, 2024), attached hereto as “Attachment F.”

¹²⁵ Q2 Report, *supra* note 32, at 6.

¹²⁶ *Id.* at 31.

¹²⁷ Sable Offshore Corp., *Securities and Exchange Commission Form 8-k*, p. 2 (September 3, 2024), available at: <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001831481/20f32768-3b40-49e8-9db7-7e2c616df5f9.pdf>.

Of course, Sable was likely aware that the SYU was never going to restart in the third quarter of 2024. As of this letter, Sable has yet to secure easements from owners of property through which the Las Flores Pipeline System passes, it has not received CFRs from OSPR or created a satisfactory Oil Spill Contingency Plan, it has not completed an application with the California State Lands Commission (“CSLC”) to transfer necessary leases from Exxon, and it has not received a waiver for the limited effectiveness of cathodic protection or the go ahead from OSFM to restart the pipeline.

Sable’s restart predictions can be charitably described as extremely optimistic, but more accurately as deliberately deceptive. And such deceptive statements appear to be par for the course for Sable. For example, in a July SEC filing, it claimed that:

In cooperation with and under the supervision of OSFM personnel, PPC is **currently making pipeline repairs, installing new pump stations, and constructing multiple new control facilities for lines 324 and 325**, all in preparation for restart of Las Flores Canyon processing facilities and associated Santa Ynez Unit offshore production platforms. Restart is expected in late third quarter 2024 or early fourth quarter 2024.¹²⁸

Now, however, Sable admits that some of these activities never occurred, assuring the County that it never had any plans to install new pump stations or construct new facilities.¹²⁹

When Sable is not making misleading statements, it is attempting to conceal information altogether, specifically when it comes to the risks posed by its restart plans. For example, Sable recently sued EDC and the California Department of Fish and Wildlife to try and withhold vital information from the public about the risks of operating its facilities. The information included estimates regarding a worst-case spill from CA-324 and CA-325.¹³⁰ After prevailing in court, EDC received the information that Sable sought to keep out of public view. One of the things we learned is that, per Sable’s estimate, a worst-case spill from these pipelines could be fourteen times the volume of the Refugio spill.¹³¹

C. Ineptitude before Governing Bodies and Propensity to Cut Regulatory Corners

Perhaps more concerning is Sable’s lack of attention to detail and willingness to cut corners. Recall that CA-324 ruptured in 2015 in part because Plains failed to diligently monitor,

¹²⁸ Sable Offshore Corp., *Securities and Exchange Commission Form 8-k*, p. 2 (July 11, 2024) (emphasis added), available at <https://d18rn0p25nwr6d.cloudfront.net/CIK-0001831481/b4d48765-05c7-47bd-8c39-998554504ac0.pdf>.

¹²⁹ See e-correspondence from Errin Briggs, Planning Department, to Jeremy Frankel, EDC (Oct. 11, 2024), attached hereto as “Attachment G.”

¹³⁰ See Complaint, Sable Offshore Corp. et al. v. California Department of Fish and Wildlife et al., Sacramento County Case No. 24WM000111.

¹³¹ ICP, *supra* note 112, at 14-4.

maintain, and repair the pipeline.¹³² Sable's recent behavior indicates that it likely suffers from the same organizational disfunction that resulted in the dangerous corrosion of CA-324 going unnoticed.

The County need not look further than this very transfer process for an example of Sable's ineptitude. Despite incentives for Sable to promptly provide the County with all the information it needs to approve the transfers, Sable consistently failed to provide basic information in its applications.¹³³ The County was forced to issue Sable three incompleteness letters, requesting the same information multiple times.¹³⁴ If Sable needs four attempts just to complete a basic administrative task, how can the people of Santa Barbara trust Sable to safely and responsibly own, operate, and guarantee the Facilities?

Sable had the same issue with the CSLC. Along with Exxon, it submitted applications to assign a number of state leases from Exxon to Sable that are needed to operate the SYU.¹³⁵ Those applications were initially submitted in March 2024.¹³⁶ Since then, Sable has received multiple incompleteness determinations from CSLC and, to date, the applications have still not been deemed complete.¹³⁷

But it is not just Sable's ineptitude that is concerning. It has consistently shown a willingness to cut regulatory corners as it rushes to bring the SYU back online.

As noted above, Sable is required to get final CFRs from OSPR prior to restart. However, in a ploy to evade financial oversight, Sable grossly underestimated the risks associated with its facilities in its initial CFR applications. Like its inadequate contingency plan, it claimed, relying on its facilities' current idle status, that the reasonable worst case spill volume for each of its facilities is just one barrel, and thus it needed to provide financial assurances of only a few thousand dollars.¹³⁸ Yet according to Sable itself, it expects to restart these facilities by the end of the year, and thus its applications did not accurately represent the liability that Sable would actually bear when operating the facilities. OSPR reached the same conclusion and required that Sable submit new applications.¹³⁹ At best, Sable's applications were, like its many other applications, improper and incomplete; at worst, they were deliberately misleading.

Most worrisome, however, is Sable's recent attempt to avoid County oversight and its refusal to cooperate with the California Coastal Commission ("CCC"). After suing the County to

¹³² PHMSA Report, *supra* note 12, at 3, 14.

¹³³ See Santa Barbara County Planning Department Determinations of Application Incompleteness, available at <https://cosantabarbara.app.box.com/s/urgbguikn7jlo1igrq5yz55zyiveo7k>.

¹³⁴ See *id.*

¹³⁵ ExxonMobil Corporation, *Applications to Assign Leases 4977, 5515, 6371, 7163*, on file with the California State Lands Commission.

¹³⁶ See *id.*

¹³⁷ See California State Lands Commission, *Determinations of Application Incompleteness*, attached hereto as "Attachment H."

¹³⁸ Sable Offshore Corp., *Applications for Certificates of Financial Responsibility*, attached hereto as "Attachment I."

¹³⁹ See Office of Spill Prevention and Response, *Response to Public Records Act Request*, attached hereto as "Attachment J."

dissuade it from exercising its jurisdiction over certain aspects of the Las Flores Pipeline System, Sable began extensive excavations along the coast to repair the pipelines and install valves — all without any oversight.¹⁴⁰ When CCC got wind of Sable’s activities, it issued Sable a Notice of Violation (“NOV”), clarifying that, contrary to the County’s position, Sable is required to obtain Coastal Development Permits for both the valve installations and repair work.¹⁴¹ Alarming, *Sable continued working despite the NOV*, prompting the CCC to send a follow-up letter laying the groundwork for a cease and desist order.¹⁴²

In sum, Sable has already demonstrated a lack of necessary diligence, an aversion to regulatory compliance, and a propensity to cut corners, all of which weigh against entrusting Sable with the immense responsibility of operating the Facilities. Indeed, whether Sable will be able to safely operate the Facilities is questionable, if not unlikely. At the very least, the matter is imbued with too much uncertainty to approve Sable’s requested transfers.

VI. Conclusion

The purpose of Chapter 25B is to “protect public health and safety, and safeguard the natural resources and environment of the county of Santa Barbara, by ensuring that safe operation, adequate financial responsibility, and compliance with all applicable county laws and permits are maintained during and after all changes of owner, operator or guarantor of certain oil and gas facilities.”¹⁴³ For the reasons outlined above, approving the transfer of the Permits to Sable would be a grave dereliction of the County’s duty to administer Chapter 25B.

Perhaps most disconcerting is Sable’s obvious financial vulnerability. We *know* that Sable lacks the financial resources on hand to remediate a spill from its facilities, particularly if one were to occur during restart, or in the months before it becomes profitable. Given the likelihood of another spill occurring, which could cost Sable upwards of \$750M, it would be negligent to find Sable financially capable here. Nor is the County even able to make that finding when it has yet to be verified what a worst-case spill would look like. Should the County approve the transfers knowing full well Sable’s lack of financial capacity, one can only imagine what the impact will be to the public, local businesses, and private landowners that are affected by another spill and cannot be made whole.

Sable’s failure to obtain final CFRs further underscores its financial instability. But it is also fatal to its transfer applications. As discussed, at least one permit *requires* Sable to obtain a final CFR, and the County can — and should — require final CFRs for all of its facilities in light of Sable’s capital concerns. Similarly, the County must require Sable to post performance bonds to ensure Santa Barbara taxpayers do not end up paying for the decommissioning of Sable’s facilities.

¹⁴⁰ Press Release, Santa Barbara County, *Conditional Settlement Reached in Litigation Regarding Safety Values on Los Flores Pipeline* (Sept. 5, 2024), available at: <https://content.civicplus.com/api/assets/d3c647be-d1b9-4384-b21d-0635ccf199cc>

¹⁴¹ See Notice of Violation, *supra* note 47, at 2-3.

¹⁴² California Coastal Commission, *Notice of Executive Director’s Intent to Issue a Cease and Desist Order*, attached hereto as “Attachment K.”

¹⁴³ County Code, § 25B-1.

Sable's noncompliance with other permit conditions is likewise disqualifying here. Most notably, its onshore pipelines lack effective cathodic protection — a critical design feature incorporated as a condition in the LFP Permit. Equally fatal is Sable's failure to provide an adequate Oil Spill Contingency Plan for any of its facilities.

Lastly, we recognize that the executives running Sable are no strangers to the industry. But Sable as an entity has never actually operated an oil and gas facility. There is no empirical evidence indicating that Sable would — or even could — reliably operate the Facilities, comply with the Permits, or comply with important safety regulations. If anything, what we have seen so far from Sable suggests the contrary. Indeed, Sable has already demonstrated a lack of necessary diligence, an aversion to regulatory compliance, and a propensity to cut corners.

By approving the transfers, the County would more or less be taking Sable at its word that it can safely operate the Facilities. But Sable has not given the County any assurance that its word can be trusted in light of its recent behavior and misleading public statements. Ultimately, whether Sable will be able to safely operate the Facilities is questionable, if not unlikely. At the very least, the matter is imbued with too much uncertainty to approve the transfers.

Accordingly, as discussed above, the County cannot make the necessary findings of approval required by Chapter 25B. *See Topanga Assn. for a Scenic Community v. County of Los Angeles* (1974) 11 Cal.3d 506, 514 -15 (the County “must set forth findings to bridge the analytic gap between the raw evidence and ultimate decision or order” and the findings must be supported by substantial evidence).

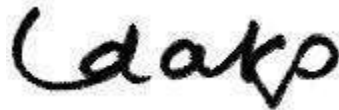
In this case, the lack of evidence prevents the County from making the following findings of approval, as outlined in detail in the **Appendix** attached hereto:

- First, Sable has not provided evidence demonstrating that it possesses the necessary financial guarantees as required by Sec. 25B-9(a)(2), Sec. 25B-9(e)(1), and Sec. 25B-10(a)(2);
- Second, Sable has not provided evidence of compliance with the existing permit requirements as required by Sec. 25B-9(a)(5) and Sec. 25B-10(a)(5);
- Third, Sable has not provided evidence of operational oil spill contingency plans, which is required for the County to make a finding pursuant to Sec. 25B-10(a)(6); and
- Fourth, Sable has not provided evidence to demonstrate that the company possesses (1) the necessary skills, training, and resources necessary to operate the Facilities in compliance with the permits and (2) the ability to comply with necessary compliance plans, which are both required to make a finding pursuant to Sec. 25B-10(a)(9).

In conclusion, another spill from these facilities is all but inevitable. And Sable has not demonstrated it has the operational or financial capacity to be entrusted with the great weight of responsibility that comes with operating these facilities. Approving the transfers would simply pose an unacceptable risk to our community, our natural resources, and our local economy. Thus, we urge the County to deny Sable's applications.

Thank you for your consideration.

Sincerely,



Linda Krop,
Chief Counsel



Jeremy Frankel,
Staff Attorney

Attachments:

- A. Memorandum of Understanding between PHMSA and OSFM (May 18, 2016)
- B. Excerpt of Santa Barbara County Administrative Draft of Draft EIR for Plains Pipeline Replacement Project
- C. CCC's Notice of Violation (Sept. 27, 2024)
- D. CalGEM Letter to Sable re Bonding Requirements (Sept. 26, 2024)
- E. E-correspondence from Rachel Fabian, OSPR, to Jeremy Frankel, EDC (Aug. 23, 2024)
- F. Incident Report Form (Sept. 13, 2024)
- G. E-correspondence from Errin Briggs, Planning Department, to Jeremy Frankel, EDC (Oct. 11, 2024)
- H. CSLC's Determinations of Application Incompleteness

I. Sable's Applications to OSPR for CFRs

J. OSPR's Response to Public Records Act Request

K. CCC's Notice of Executive Director's Intent to Issue a Cease and Desist Order

APPENDIX:
FINDINGS THAT LACK SUBSTANTIAL EVIDENCE

SYU Permit: Application for Change of Owner, Operator, and Guarantor

Financial Guarantees: Sections 25B-9(a)(2), 25B-9(e)(1), and 25B-10(a)(2) “All necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new owner(s) or operator and will remain in full effect following the ownership or operator change.”	1. Sable has not demonstrated that it has the financial capacity to remediate a worst-case spill from these facilities, as required by Condition XI-2.w. (<i>See Part II.A.</i>) 2. Sable has not obtained a final CFR for its facilities, as required by Condition XI-2.w. (<i>See Part II.B.</i>) 3. Sable has not posted a performance bond for the abandonment of these facilities, which can — and should — be required under Condition XIX-1. (<i>See Part II.C.</i>)
Compliance Plans: Section 25B-10(a)(6) “The current owner and proposed operator have updated, where applicable, any . . . oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator.”	1. Sable has not submitted an Oil Spill Contingency Plan that encompasses its subsea pipelines. (<i>See Part IV.</i>)
Operator Capability: Section 25B-10(a)(9) “The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f.”	1. Sable has not demonstrated that it has the resources necessary to operate these facilities, as it may run out of capital prior to restart. (<i>See Part II.A.</i>) 2. Sable has not demonstrated that it can comply with an Oil Spill Contingency Plan, as it failed to submit a plan that encompasses its subsea pipelines, and it lacks the financial resources to comply with such a plan. (<i>See Part II.A and Part IV.</i>) 3. Sable has not shown that it can be trusted to reliably operate these facilities. (<i>See Part V.</i>)

POPCO Permit: Application for Change of Operator and Guarantor

Financial Guarantees: Sections 25B-9(e)(1) and 25B-10(a)(2) “All necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new owner(s) or operator and will remain in full effect following the ownership or operator change.”	1. Sable has not posted a performance bond for the abandonment of this facility, as required by Condition Q-2. (<i>See Part II.C.</i>)
Operator Capability: Section 25B-10(a)(9) “The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f.”	1. Sable has not demonstrated that it has the resources necessary to operate this facility, as it may run out of capital prior to restart. (<i>See Part II.A.</i>) 2. Sable has not shown that it can be trusted to reliably operate this facility. (<i>See Part IV.</i>)

LFP Permit: Application for Change of Operator and Guarantor

Financial Guarantees: Sections 25B-9(e)(1) and 25B-10(a)(2) “All necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new owner(s) or operator and will remain in full effect following the ownership or operator change.”	1. Sable has not obtained final CFRs for CA-324 and CA-325, which the County can — and should — require pursuant to Section 25B-10(b). (<i>See Part II.B.</i>) 2. Sable has not posted a performance bond for the abandonment of these facilities, which can — and should — be required under Condition O-1. (<i>See Part II.C.</i>)
Compliance with Existing Requirements: Section 25B-10(a)(5) “As of the date that the application is deemed complete, the current operator is in	1. The current owner/operator is not in compliance with Condition A-7, as the Las Flores Pipeline System lacks effective cathodic protection. (<i>See Part III.</i>)

compliance with all requirements of the permit”	
Compliance Plans: Section 25B-10(a)(6) “The current owner and proposed operator have updated, where applicable, any . . . oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator.”	1. Sable has not submitted an adequate Oil Spill Contingency Plan for the Las Flores Pipeline System. (<i>See</i> Part IV.)
Operator Capability: Section 25B-10(a)(9) “The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f.”	1. Sable has not demonstrated that it has the resources necessary to operate the facilities, as it may run out of capital prior to restart. (<i>See</i> Part II.A.) 2. Sable has not demonstrated that it can comply with an Oil Spill Contingency Plan, as it failed to submit a adequate plan for these facilities, and it lacks the financial resources to comply with such a plan. (<i>See</i> Part II.A and Part IV.) 3. Sable has not shown that it can be trusted to reliably operate these facilities. (<i>See</i> Part V.)

Attachment A



U.S. Department
Of Transportation

1200 New Jersey Ave., SE
Washington, DC 20590

**Pipeline and
Hazardous Materials
Safety Administration**

May 18, 2016

Mr. Bob Gorham
Program Manager/Supervising Pipeline Safety Engineer
Pipeline Safety Division
California State Fire Marshal
3500 Paramount Boulevard, Suite 210
Lakewood, CA 90712

Dear Mr. Gorham:

This letter serves to memorialize the understanding between the Pipeline and Hazardous Materials Safety Administration (PHMSA) and the California State Fire Marshal (CASFM) with respect to the transfer or regulatory oversight over Plains Pipeline, LP's (Plains) Lines 901 and 903 located in Santa Barbara County, California.

On May 19, 2015, Plains' Line 901 pipeline ruptured, releasing approximately 2,934 barrels of heavy crude oil into the environment (Failure). As a result, Line 901 and Line 903, which carries all of Line 901's crude oil throughput, were shut down.¹ Two days later, on May 21, 2015, PHMSA issued a Corrective Action Order (CAO) shutting down Line 901 and requiring immediate remedial actions. PHMSA has since amended the CAO twice,² requiring, among other actions, a shutdown of Line 903 between Gaviota and Pentland Station. Both lines remain shut down as of the date of this letter. PHMSA is currently conducting an investigation into the cause of the Failure.

Prior to the accident, Plains operated Lines 901 and 903 as interstate pipelines under Federal Energy Regulatory Commission (FERC) tariffs and were subject to PHMSA's regulatory, inspection and enforcement jurisdiction. After the Failure, Plains cancelled its FERC tariffs on Line 901 and Line 903. Specifically, it cancelled its FERC tariff on Line 901 on February 12, 2016, and Line 903 on April 29, 2016 (collectively, Transfer Dates). Effective as of the Transfer Dates, Lines 901 and 903 are now considered intrastate hazardous liquid pipelines subject to the regulatory and enforcement jurisdiction of CASFM, pursuant to state certification from PHMSA.

¹ Lines 901 and 903 provide transportation service from Santa Barbara County to Pentland Station, Kern County.

² The first amendment was issued on June 3, 2015, and the second was issued on November 12, 2015.

The post-accident transfer of regulatory authority from PHMSA to CASFM does not affect or otherwise impact PHMSA's ongoing investigation(s) of, and any enforcement action(s) related to, the Failure or to any other events involving the operation of Lines 901 and 903 occurring prior to the Transfer Dates. As a result, PHMSA will continue to assert its enforcement authority with respect to all actions and incidents occurring on Lines 901 and 903 prior to the Transfer Dates. CASFM, meanwhile, will exercise jurisdiction over any actions or events related to Lines 901 and 903 occurring after the Transfer Dates. CASFM will continue to implement and enforce the federal minimum pipeline safety regulations relating to Lines 901 and 903 beginning as of the Transfer Dates, and may adopt and enforce additional or more stringent standards for intrastate hazardous liquid pipelines under 49 U.S.C. § 60104(c). PHMSA and CASFM will cooperate and collaborate with each other, as necessary, on PHMSA's investigatory and enforcement activities relating to the Failure and on any other matters relating to Lines 901 and 903.

More specifically, PHMSA will be responsible for:

- Completing and finalizing the root-cause investigation of the Failure ;
- Issuing and finalizing any enforcement actions arising out of the investigation and any other events occurring prior to the Transfer Dates, including, but not limited to, the following types of actions: Notice of Probable Violation, Proposed Civil Penalty, Proposed Compliance Order, and/or Corrective Action Order (CAO), etc.;
- Completing the CAO issued to Plains on May 21, 2015, and any amendments thereto, and issuing any future CAOs related to the Failure;
- Collaborating with CASFM on any additional or modified safety requirements that may be needed in connection with any CAO that has been or may be imposed by PHMSA relating to Lines 901 and 903, including any potential re-start of the pipelines; and
- Transitioning full regulatory authority from PHMSA to CASFM once all PHMSA investigations and enforcement actions have been completed and closed.

CASFM will be responsible for:

- Including Lines 901 and 903 in CASFM's Annual Inspection Program (SB 295);
- Including Lines 901 and 903 in CASFM's Leak Detection Program (AB 864);
- Including Line 901 in the CASFM Higher Risk pipeline program, due to the release and absence of effective Cathodic Protection. This will require the pipeline to be tested annually for 5 years; and
- Exercising authority over Lines 901 and 903 under existing and future regulations established by CASFM.

If either pipeline is replaced rather than repaired, such work will be considered new construction, and the design, construction, operation, and maintenance would fall under the regulatory authority of the CASFM.

Mr. Bob Gorham

California State Fire Marshal

This Letter Agreement is subject to change based on any future events or newly-discovered facts that may impact any terms set forth herein. Please sign below and email me a PDF of the signed letter to zach.barrett@dot.gov. Thank you for your assistance and cooperation in this matter.

Sincerely,



Zach Barrett
Director for State Programs
Office of Pipeline Safety

ACKNOWLEDGED:



Bob Gorham
Program Manager/Supervising Pipeline Safety Engineer
Pipeline Safety Division
California State Fire Marshal

Attachment B

07/25/2024 12:45:32 PM

Impacts related to Hazardous Materials and Risk of Upset would only be related to maintenance and construction activities and these maintenance activities would have a minor impact on risk due to the potential for localized spills of hydraulic or diesel oils. **Impact RISK.1, RISK.2, RISK.3** would not be applicable and mitigation measures RISK.2-1 through RISK.2-7 would not be applicable. Impacts would therefore be **insignificant**.

Construction activities related to valve stations, pump stations and some segments of the pipeline that could be abandoned could potentially produce an increased risk of wildfires during construction, and **RISK.4** would still be applicable and mitigation measures RISK.4-1 through RISK.4-4 would still be applicable. Impacts related to **Impact RISK.4** and wildfires would therefore be **significant but mitigable**.

No Project, Existing Pipeline Restart Alternative

Under this alternative, the existing pipeline would be utilized instead of a new pipeline being installed, and transportation of crude oil would occur through the existing pipeline. The existing pipeline would be brought into compliance with existing requirements related to AB 864 and CSFM best available technologies (BAT), including the installation of additional valves along the pipeline route. The Applicant would have to apply to the CSFM for a waiver to utilize the existing pipeline since the existing pipeline is subject to corrosion under insulation, which could affect the efficacy of cathodic protection systems. Generally, a pipeline is not allowed to operate with ineffective cathodic protection systems. There is uncertainty as to whether the Applicant could demonstrate to the CSFM that the pipeline could be operated safely, and therefore this variation and the variation above (no Project, No Pipeline Alternative) are both addressed.

Assuming that a CSFM waiver is granted, the Applicant would have to install additional valves along the pipeline in order to comply with AB 864 and BAT requirements, similar to the proposed Project pipeline design. The installation of these additional valves would require some construction activities and some limited clearing at multiple locations along the pipeline ROW.

The existing pipeline is insulated, and therefore there would be no need for heaters at the Sisquoc Pump Station or the installation of the gas pipeline.

The installation of valves would most likely be at locations similar to the proposed Project valve installations as the pipeline would follow a similar ROW and similar terrain.

Hazards are associated with risks to the public from a spill and subsequent fire, as well as impacts from a spill to the environment, impacts to schools and potential wildfire impacts. The existing pipeline is a larger diameter pipeline, and therefore the draindown spill volumes would be larger than the proposed Project. This results in potentially larger spills and larger fires, impacting more people, as well as larger spills to the environment. In addition, the frequency of a spill from the existing pipeline would be higher due to its age and the potential for the cathodic protection to be compromised by the insulation. These factors have been incorporated into the analysis presented below.

Risks to Public Safety

Impact RISK.1 describes the potential spill sizes and the estimated frequency of spills from the pipeline system and the potential for immediate (fires, etc.) health impacts on the public.

Crude Pipeline Spill Volumes

The spill volumes for this alternative were calculated based on the pipeline size, which would be larger than the proposed Project, and the associated terrain for different segments of the pipeline. The Applicant

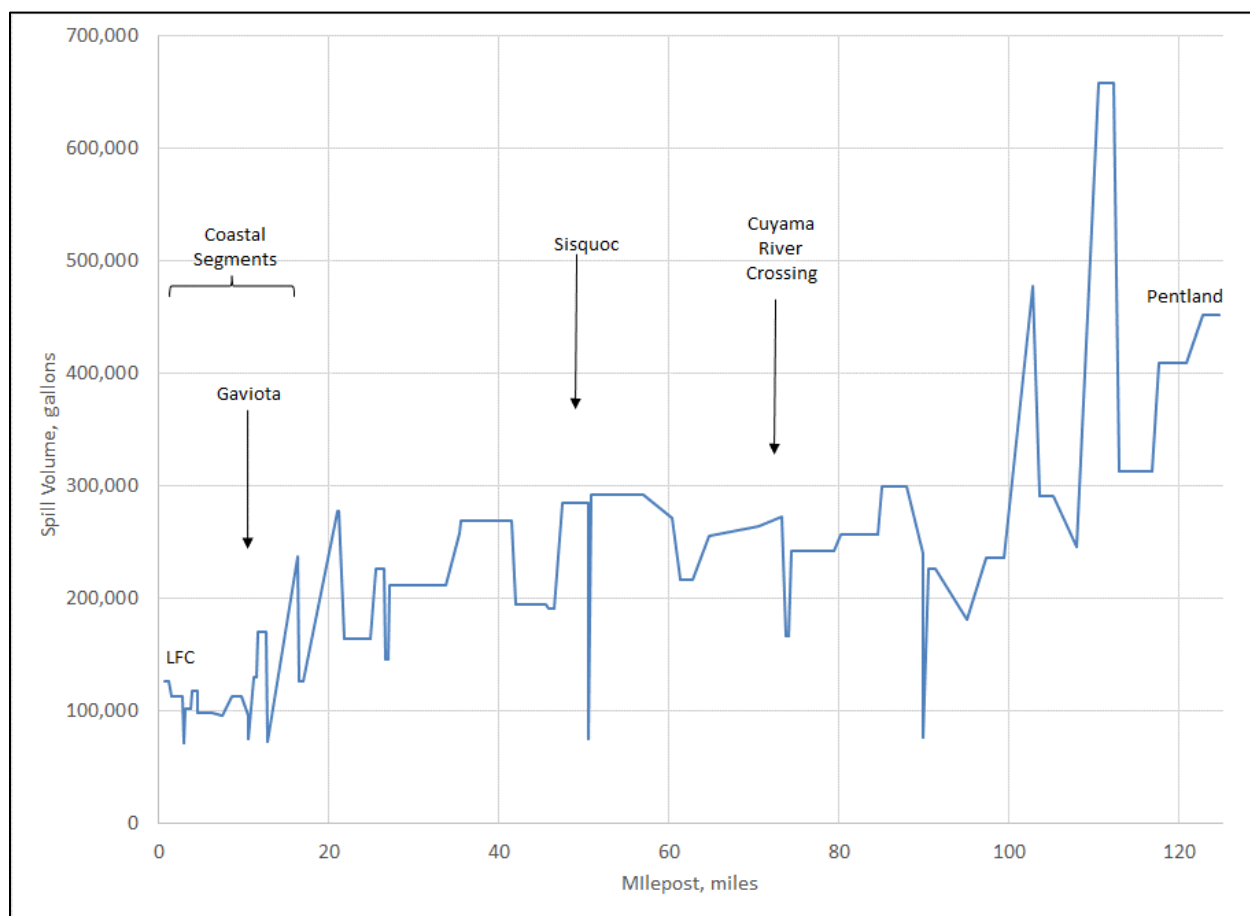
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provided a risk assessment for the proposed Project and this analysis was utilized to estimate the spill volumes associated with a larger pipeline size. Figure 5.6-11 shows the estimated spill volumes along the pipeline route for each segment as a worst case for that segment. The worst-case sized spill volume is shown in Table 5.6-16 for the different portions of the crude oil pipeline alternative.

Crude Pipeline Spill Frequencies

Spill frequencies from a crude pipeline are based on the PHMSA failure rates for the California pipeline database. The PHMSA base failure rate for crude oil pipelines is shown in Table 5.6-17. The spill frequencies are adjusted for the pipeline potential higher failure rate due to the compromised cathodic protection system and the potential for corrosion under the insulation issues. This correction is based on the CSFM report (CSFM 1993) indicating a five times increase in failure frequencies for pipelines that are not equipped with cathodic protection over the average failure rate. In addition, because the existing pipeline is older, it could experience a higher failure rate due to age. However, the CSFM study indicated a minimal increase in failure rate for pipelines that are less than 40 years old and the PHMSA database used to estimate the base failure rate includes many older pipelines. Therefore, only the five times factor was applied as an estimate of the increased failure rate for this pipeline.

Figure 5.6-11 No Project – Existing Pipeline Restart Alternative Spill Volume by Segment Milepost



Source: based on Applicant QRA and EFRD 2019, with adjustments for the size of the existing pipeline.

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Table 5.6-16 No Project – Existing Pipeline Restart Alternative Crude Pipeline Worst Case Spill Volumes

Location	Proposed Project - Maximum Spill Volume, gallons	Alternative - Maximum Spill Volume, gallons
LFC – Gaviota Plant	84,000	126,000
Gaviota – Sisquoc	131,040	284,594
Sisquoc - Pentland	198,030	657,893
Coastal Segments	117,600	237,344

Source: based on Applicant QRA and EFRD 2019, with modification to address spill duration of 60 minutes. Coastal segments include up to valve station 2-500. Includes the installation of additional valve stations as per the proposed Project locations.

Table 5.6-17 No Project – Existing Pipeline Restart Alternative Crude Pipeline Spill Frequencies

Location	Spill Frequency	Return Period, years rupture/leak/total
PHMSA California Crude oil base rate	1.62 per 1,000-mile years	-
Adjustment due to Pipeline Condition	5.3 factor	-
PHMSA Adjusted Rate	8.56 per 1,000-mile years	-
Failure rate for L901R (49.2 miles)	0.43 failures per year	9/3/2 years
Failure Rate for L903R (74.1 miles)	0.63 failures per year	6/2/2 years
Failure Rate for L901R + L903R	1.07 failures per year	4/1/1 years

Source: based on Applicant QRA and EFRD 2019 with CSFM 1991 adjustment factor. PHMSA data since 2010. The return period is the anticipated period between releases. Includes leaks and ruptures.

Crude Pipeline Population Densities

The population densities along the route are based on estimates for remote, rural, low density and high-density areas with some additions for highways. The population densities are similar to those used for the proposed Project except for the area through the City of Buellton, since the existing pipeline would pass through the City of Buellton and the proposed Project would pass around the City of Buellton to the west.

Crude Pipeline Fires

In the event of a spill of oil and subsequent ignition resulting in a pool fire, the heat (i.e., thermal radiation) from the fire could result in a serious injury or fatality. The assumptions for impacts would be the same as for the proposed Project.

Gas Pipeline

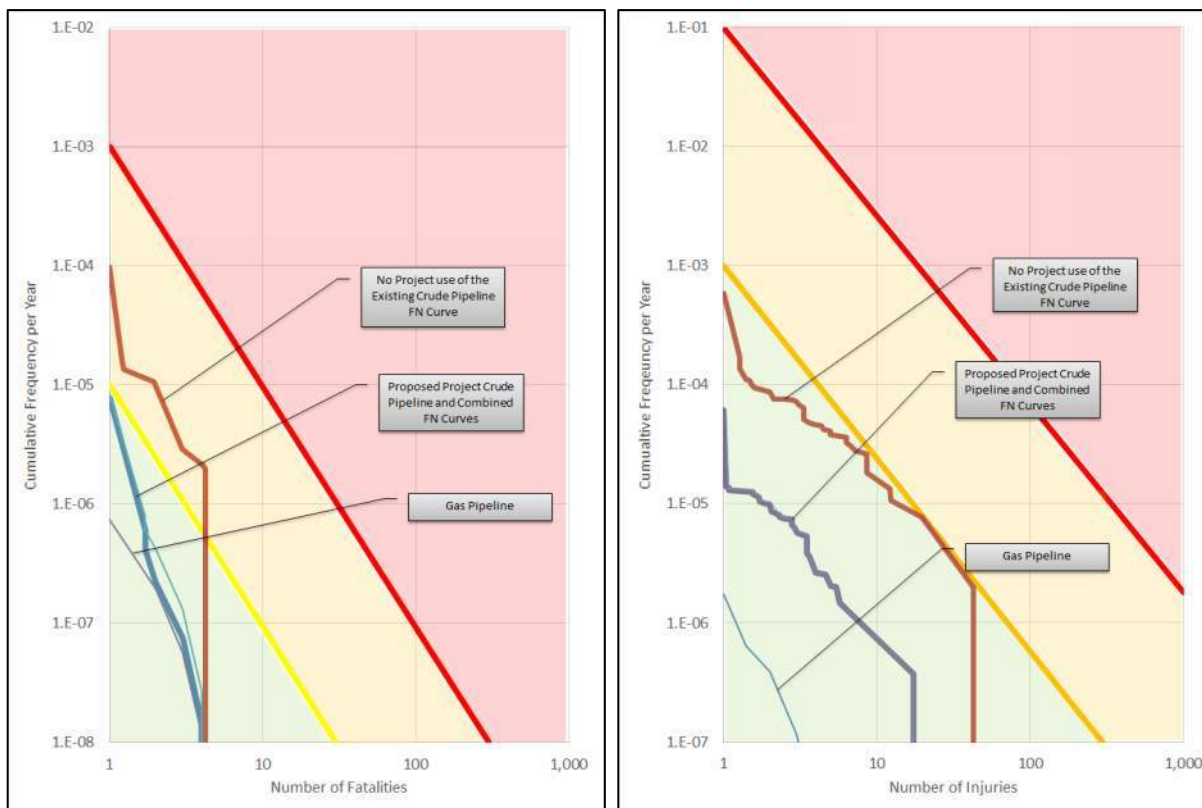
The proposed gas pipeline would not be installed as part of this alternative since heaters at Sisquoc would not be installed.

Alternative Pipeline: Public Safety Risk

The combination of scenario frequency and consequences is combined to estimate risk using FN curves. FN curves are depictions of the risk levels of a project and show the frequency (F) of scenarios that could produce a given fatality or injury level (N) or greater. These are presented for the proposed Project in **Impact RISK.1**. Santa Barbara County has established risk thresholds that use societal risk profiles (FN curves) to determine the significance of hazardous material releases. These FN curves address both injury and fatality. The Santa Barbara County's adopted thresholds are generally applicable to fixed facilities and pipelines. The risk FN curves are shown in Figure 5.6-12 and are based on the FN curves developed as part of the Plains 2019 QRA analysis, with adjustments for the existing pipeline (increased pipeline diameter

and failure frequency). The FN curves would be located within the amber region, and the impacts to public health due to pipeline releases would be **significant and unavoidable**.

Figure 5.6-12 No Project – Existing Pipeline Restart Alternative Pipeline Risk FN Curves



Source: Plains 2019 with modifications

Risks to the Environment

A spill of crude oil from the pipeline could impact resources in the vicinity of the pipeline ROW. See Section 5.2 Biological Resources, Section 5.4 Cultural Resources and Section 5.9 Hydrology and Water Quality for a discussion of the impacts of a crude oil spill on biological, hydrological and cultural resources along the crude oil pipeline ROW.

Crude Pipeline Spill Volumes

The spill volumes are discussed above under **Impact RISK.1**. For the public health assessment under **Impact RISK.1**, a worst-case spill shutdown time of 15 minutes was used due to the already conservative analysis for fires and impacts to the public used in the QRA. However, for spills that could affect the environment, a longer duration is used. As evidenced by the May 2015 Refugio spill, there is the potential for a pipeline shutdown to take longer than 15 minutes.

Crude Pipeline SCADA System

The SCADA system used for the alternative would be the same as that used for the proposed Project since the SCADA system would be required to be updated per CSFM and AB864 requirements.

Proposed Project Pipeline: Spills Affecting Marine Resources

Portions of the pipeline extend along the Santa Barbara County coastline. A crude oil spill could drain from the spill location through existing culverts or drainages and enter the marine environment. This is what occurred during the May 2015 Refugio Beach spill. An estimated 43 percent of the oil entered the ocean from the Refugio spill location, which was an estimated 750-foot pathway from the ocean shoreline. Because the proposed pipeline is located onshore at various distances from the shoreline, a rupture at different locations spilling the same amount of oil could allow for oil to enter the marine environment. Assuming a linear function of oil being trapped and adsorbed onshore with distance, the maximum amount of oil could enter the ocean where the pipeline is closest to the ocean and potential worst-case spill volumes are large. An estimated maximum amount of 71,621 gallons of crude oil could enter the ocean at the worst-case spill location. An estimated 11.8 miles of the 16.6-mile coastal portion (71 percent) of the pipeline would be vulnerable to spills entering the ocean if a spill were to occur along any of those segments and the adsorption rate were similar to that which occurred during the Refugio spill. This assumes that no rain event is occurring and that drainages are not flowing.

There are a number of variables affecting the amount of oil that could reach the ocean from an onshore spill, including the terrain, the location of drainages under the freeway and the railroad tracks, the soil type, and extent of rocky interfaces as well as the amount of moisture. During a rain event, when drainages and creeks are flowing, a spill into the waterways could follow the flow and enter the marine environment more readily. A spill under these conditions would also have more extensive terrestrial impacts and reach the marine environment more readily but would also be subjected to turbulence and mixing along the drainages.

For inland areas, the area with the largest potential impacts is along the Cuyama River. Based on the elevation profile and the spill volumes, the maximum spill volume along the Cuyama River segments of the pipeline (between proposed Project valve 3-800 and 5-400 nearest the Cuyama River) and using the absorption rate as seen in the Refugio spill, a spill along the Cuyama River portion of the pipeline could impact resources a distance as far as about 3,200 feet, which means that pipeline segments within about 3,200 feet of the Cuyama River could potentially impact the river in the event of a spill.

Potential Impacts

Depending on the location of the spill, the environmental conditions, and the biological resources present, Impact RISK.2 short and long-term effects to biological resources associated with a crude oil spill has the potential to be significant and unavoidable. Mitigation measures RISK.1-1 through RISK.1-7 would apply. Due to the increased size and frequency of spills, this significant and unavoidable impact would be a greater severity than that presented by the proposed Project.

Risks to Schools

For **Impact RISK.3** (schools), the pipeline construction activities for the existing pipeline would only affect areas near the proposed valve installations. The existing pipeline is located about 500 feet from the Oak Valley School in western Buellton. In order to address the risk levels to this school, the California Department of Education (CDE) school siting risk protocol was utilized to determine the risk levels.

The assessments demonstrated that the risk levels are acceptable under the CDE Risk Protocols with a Total Individual Risk/Individual Risk Criteria (TIR/IRC) ratio of 0.29, with a 1.0 TIR/IRC ratio being the CDE Protocol threshold. It is important to note that the CDE protocol examines the individual risk at the closest school and does not examine the risks cumulatively along the entire pipeline route. Because the CDE

Attachment C

CALIFORNIA COASTAL COMMISSION

455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400

**NOTICE OF VIOLATION****Sent by Electronic Mail**

September 27, 2024

Steve Rusch
VP Environmental & Regulatory Affairs
Sable Offshore Corp.
srusch@sableoffshore.com

Violation File No.: **V-9-24-0152** (Sable Offshore Corporation)

Location: At various locations along the existing Las Flores Pipelines CA-324 and CA-325 (previously known as Lines 901 and 903), which are part of the pipeline system originally constructed by Plains All American in 1988, spanning from the Gaviota coast to the Los Padres National Forest within Santa Barbara County, on 16 different properties.

Violation¹ description: Unpermitted development in the Coastal Zone, including, but not necessarily limited to, excavation with heavy equipment and other activities associated with the Line 324 and 325.

Dear Mr. Rusch:

As you have recently discussed with Cassidy Teufel and Wesley Horn of our staff, it has come to our attention that unpermitted activities are currently taking place in the Coastal Zone, including excavation and other activities at various locations along the existing Lines 324/325 (formerly known as Lines 901/903) now owned by Sable Offshore Corp. ("Sable")

¹ Please note that the description herein of the violation at issue is not necessarily a complete list of all unpermitted development on the subject property that is in violation of the Coastal Act and the Santa Barbara County LCP. Accordingly, you should not treat the Commission's silence regarding (or failure to address) other unpermitted 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/County LCP.

associated with a proposed restart of the Santa Ynez Unit. These activities constitute violations of the Coastal Act² and Santa Barbara County's Local Coastal Program ("LCP").

As you may know, the California Coastal Act was enacted by the State Legislature in 1976 to provide long-term protection of California's 1,250-mile coastline through implementation of a comprehensive planning and regulatory program designed to manage conservation and development of coastal resources. The California Coastal Commission ("Commission") is the state agency created by, and charged with administering, the Coastal Act of 1976. In making its permit and land use planning decisions, the Commission carries out Coastal Act policies, which, amongst other goals, seek to protect and restore sensitive habitats; protect natural landforms; protect scenic landscapes and views of the sea; protect the marine environment and its inhabitants; protect against loss of life and property from coastal hazards; and provide maximum public access to the sea. The Commission plans and regulates development and natural resource use in the coastal zone in keeping with the requirements of the Coastal Act.

Violations

It has been confirmed that Sable is currently performing various unpermitted construction activities in the Coastal Zone associated with upgrades to Lines 324/325 in connection with Sable's proposed restart of that pipeline.³ As part of that proposed restart, Sable is currently undertaking work including a pipeline upgrade project to address pipeline corrosion in locations within the Coastal Zone and to install new safety valves in portions of the pipeline in the Coastal Zone. These activities constitute development and are not exempt from coastal development permit ("CDP") requirements.

Pursuant to Section 30106 of the Coastal Act and Section 35-58 the Santa Barbara County Local Coastal Program ("LCP"):

*"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...change in the intensity of use of water, or of access thereto; **construction, reconstruction, demolition, or alteration of the size of any structure**...*
(emphasis added)

² The Coastal Act is codified in the California Public Resources Code, sections 30000 to 30900. Unless otherwise indicated, references to section numbers in this letter are to that code, and thus, to the Coastal Act.

³ The California Office of the State Fire Marshall has not reviewed or approved the proposed restart of the pipeline, which includes a review of a proposed State Waiver and a final Restart Plan, among other required materials. The Commission's investigation of this matter is continuing, and it reserves its right to review the proposed restart and other associated activities or other matters concerning the pipeline.

Under this definition, the unpermitted development activities, as described above, constitute “development” under the Coastal Act and the County’s LCP. Coastal Act Section 30600(a), and Section 35-58 of the Santa Barbara County LCP, require Sable to obtain authorization under the Coastal Act and/or the LCP prior to performing or undertaking any development activity in the Coastal Zone, in addition to obtaining any other permit required by law. Any non-exempt development activity conducted in the Coastal Zone without such authorization constitutes a violation of the Coastal Act/LCP. Thus, the unpermitted development activities described above constitute Coastal Act and LCP violations.

In addition, the upgrade project does not qualify as CDP-exempt repair and maintenance work. Activities that “result in addition to, or enlargement or expansion of, the object” of the activities require a CDP under the Coastal Act and the LCP. (Public Resources Code § 30610(d); Coastal Zoning Ordinance § 35-169.2; Appendix C, Section I.) At a minimum, because the project involves the installation of safety valves, this is an addition to the pipeline that does not qualify as “repair and maintenance.” Even if the project could be considered repair and maintenance (which it cannot), Section 30610(d) of the Coastal Act and the Appendix C, Section III of the LCP nonetheless require a CDP for categories of repair and maintenance activities that are designated as presenting a “risk of substantial adverse environmental impact.” These include the following:

- (3) Any repair or maintenance to facilities or structures or work located in an environmentally sensitive habitat area, any sand area, within 50 feet of the edge of a coastal bluff or environmentally sensitive habitat area, or within 20 feet of coastal waters or streams that include: . . .

(B) The presence, whether temporary or permanent, of mechanized equipment or construction materials.

Title 14, California Code of Regulations § 13252(a)(3); Coastal Zoning Ordinance § 35-169.2; Appendix C, Section III(a)(3).)

Furthermore, although Sable appears to have taken the position that the upgrade project involves work for which the Coastal Act requirement for a CDP is entirely preempted, this is incorrect. Although the California Office of the State Fire Marshall has authority over certain aspects of pipeline safety under the federal Pipeline Safety Act (49 U.S.C § 60101 *et seq.*), any resulting preemption is limited in scope. Other state agencies, as well as local governments, may review and impose requirements related to other issues. Thus, the Commission and the County have jurisdiction to review and impose requirements relating to consistency with the Coastal Act and the LCP that do not pertain directly to pipeline safety. For example, a CDP review for construction impacts to environmentally sensitive habitat areas, cultural resources, water quality, or public access (to name a few) are not preempted. Finally, the 1988 settlement between the County and Celeron Pipeline Company does not affect the preemption analysis because the settlement cannot contractually limit the County’s duties under the law or the applicability of the law. Thus, a CDP is required for the upgrade project.

Resolution

To begin resolution of the Coastal Act/LCP violations, please cease Immediately any unpermitted activities/development in the Coastal Zone associated with Lines 324/325.⁴ At this time, we have no information that any development activities are currently taking place related to the three offshore platforms and offshore pipelines owned by Sable. However, if any such activities are taking place, please cease those as well. These are all activities that require a CDP and/or federal consistency review from the Commission.

Please note that in certain cases when unpermitted development takes place, but Commission staff believe that some version of the work could have been found to be consistent with the applicable standard of review and authorized accordingly, staff recommends that the party undertaking the development submit a CDP application to the regulating authority (in this case, Santa Barbara County), seeking after-the-fact ("ATF") authorization for the previously undertaken unpermitted development within the County's LCP jurisdiction. In other cases, when staff has determined that the unpermitted development is not something for which staff would recommend approval due its inconsistency with the Coastal Act/certified LCP, staff advises the alleged violator to seek resolution through removal, mitigation, restoration, and/or payment of penalties, etc., and not to seek a CDP to authorize such development.

In this case, we are uncertain at this time whether Santa Barbara County would be able to approve a CDP application from Sable that was seeking ATF authorization for the unpermitted construction activities that have already taken place, as well as authorization going forward for continued construction or other development activities related to the pipeline, such as the installation of safety valves. More information regarding the project would be necessary to come to any such conclusion at this time; however, since such an application might be found approvable by the County, we recommend that you submit a CDP application to the County as soon as possible. Please note that should the County grant approval of such a CDP application, those portions of the project that are located within the Coastal Commission's appeals jurisdiction would be appealable to the Commission and those portions of the project, if any, that are located within the Commission's original jurisdiction would require a CDP from the Commission.

To help us evaluate the project, it would be helpful if you could submit to us a complete description of all development activities currently taking place, as well as those activities that are being contemplated (e.g., installation of safety valves; any work to the platforms or offshore pipeline) prior to the anticipated restart of the pipeline, including scope of the project; exact locations of where the development activities are taking place/will take place; project schedule, etc.

Enforcement Remedies

⁴ Please note that interim measures to stabilize the site may also be necessary to avoid damages to coastal resources, and any such measures should be coordinated with Commission and County staff to avoid additional harm and to ensure consistency with Coastal Act/LCP requirements.

Santa Barbara County has declined to enforce the above-noted Coastal Act/LCP violations, and thus, pursuant to Section 30810 of the Coastal Act, the Coastal Commission is pursuing enforcement regarding the Coastal Act/LCP violations described above.

Please note that the recent Settlement Agreement between Sable and the County does not preempt the Coastal Act or the LCP, and does not obviate the need for Sable to seek authorization for development activities in the Coastal Zone.

Whenever possible, Commission enforcement staff prefers to work cooperatively with alleged violators to resolve Coastal Act violations administratively. We are hopeful that we can resolve this matter without resorting to formal action. However, should we be unable to resolve this matter through this process, please be advised that the Coastal Act has a number of potential remedies to address violations of the Coastal Act, including the following:

Section 30809 states that if the Executive Director of the Commission determines that any person has undertaken, or is threatening to undertake, any activity that may require a permit from the Coastal Commission without first securing a permit, the Executive Director may issue an order directing that person to cease and desist. Section 30810 states that the Coastal Commission may also issue a cease and desist order. A cease and desist order may be subject to terms and conditions that are necessary to avoid irreparable injury to the area or to ensure compliance with the Coastal Act. Section 30811 also provides the Coastal Commission the authority to issue a restoration order to address violations at a site. A violation of a cease and desist order or restoration order can result in civil fines of up to \$6,000 for each day in which each violation persists.

Additionally, Sections 30803 and 30805 authorize the Commission to initiate litigation to seek injunctive relief and an award of civil fines in response to any violation of the Coastal Act. Section 30820(a)(1) provides that any person who undertakes development in violation of the Coastal Act may be subject to a penalty amount that shall not exceed \$30,000 and shall not be less than \$500 per violation. Section 30820(b) states that, in addition to any other penalties, any person who "knowingly and intentionally" performs or undertakes any development in violation of the Coastal Act can be subject to a civil penalty of not less than \$1,000 nor more than \$15,000 per violation for each day in which each violation persists.

Finally, as of January 1, 2022, the Commission's administrative penalty authority was expanded, allowing the Commission to administratively impose penalties for all violations of the Coastal Act. Section 30821 and Section 30821.3 collectively authorize the Commission to impose administrative civil penalties in an amount of up to \$11,250 per day for each violation.

Failure to resolve the violations noted above could result in formal action under the Coastal Act. Said formal action could include a civil lawsuit, the issuance of an Executive Director

Cease and Desist Order or Commission Cease and Desist and/or Restoration Order, and/or imposition of monetary penalties, as described above, including imposition of administrative penalties.

We understand that you will be meeting soon with our staff to discuss the pipeline situation. Please contact me by telephone at **415-904-5269** or by email at jo.ginsberg@coastal.ca.gov within a week of that meeting, or by October 21, 2024, whichever is earlier, to discuss how you intend to resolve the Coastal Act/LCP violations associated with the pipeline. Also, you may contact Wesley Horn at Wesley.Horn@coastal.ca.gov to discuss any permitting or planning issues associated with the pipeline.

Failure to meet the deadline noted above may result in formal action by the Commission to resolve this Coastal Act violation, including initiation of the enforcement remedies discussed above.

Thank you for your cooperation and prompt attention to this matter. I look forward to speaking with you soon.

Sincerely,



Jo Ginsberg,
Enforcement Analyst

cc: Kate Huckelbridge, CCC, Executive Director
Cassidy Teufel, CCC, Deputy Director
Lisa Haage, CCC, Chief of Enforcement
Sarah Esmaili, CCC, Senior Attorney
Pat Veesart, CCC, Enforcement Supervisor
Aaron McLendon, CCC, Deputy Chief of Enforcement
Alex Helperin, CCC, Assistant Chief Counsel
Joseph Street, CCC, EORFC Program Manager
Jonathan Bishop, CCC, Oil Spill Program Coordinator
Wesley Horn, CCC, Environmental Scientist
Jim Hossler, CA State Fire Marshal, Jim.Hosler@fire.ca.gov
Errin Briggs, Deputy Director, Santa Barbara County Planning & Development, ebriggs@countyofsb.org

Attachment D



September 26, 2024

Sent via electronic mail only to Michael.mills@stoel.com

Dear Mr. Mills:

I am reaching out regarding your client, Sable Offshore Corporation's (Sable)s, acquisition of the Las Flores Canyon Processing Facility (the Facility). Based upon publicly available information, it appears that equipment at the Facility meets the definition "production facility" found in Public Resources Code section 3010.

There are a handful of compliance issues CalGEM would like to discuss with Sable in more detail.

I. Equipment at the Facility appears to be equipment regulated by CalGEM.

CalGEM regulates production facilities, which includes "any equipment attendant to oil and gas production or injection operations, including but not limited to, tanks flowlines, headers, gathering lines, wellheads, heater treaters, pumps, valve, compressors, injection equipment, and pipelines that are not under the jurisdiction of the State Fire Marshal pursuant to Section 51010 of the Government Code." Based upon publicly available information, the Facility includes equipment that meets the definition of "production facility," including at a minimum, pipelines not under the jurisdiction of the State Fire Marshal and tanks.

II. Bonding requirements under Public Resources Code section 3205.8.

The acquisition of the Facility appears to have occurred after January 1, 2024, thereby triggering the requirements of Public Resources Code section 3205.8, including the filing of a bond. Given the unique aspects of the Facility, and the newness of these requirements, Sable was probably unaware these bonding requirements apply to those production facilities attendant to oil and gas production.

CalGEM would like to develop a timeline for expeditiously getting Sable into compliance, which will require a determination of equipment attendant to oil and gas production at the Facility. CalGEM is requesting your cooperation in timely scheduling an inspection of the Facility. To facilitate a more productive inspection, in advance of that inspection, CalGEM requests that you provide a facility map which identifies the equipment on site, including pipelines, and point of sale information, as well as the contact information for your operations manager, so that CalGEM may contact them with questions in advance.

Please have Sable contact Michael Takamori (Michael.Takamori@conservation.ca.gov or (661) 434-8163) to schedule an inspection and provide the information described above no later than October 3, 2024.

III. Additional requirements for production facilities.

In addition to these important bonding requirements, there are a range of inspection, testing, and maintenance requirements that apply to production facilities, which you should be aware of, outlined below.

First and foremost, it appears that at least a portion of the production facilities at the facility fall within a health protection zone. **Effective June 27, 2024, subject to the exceptions outlined in the regulation, in advance of new construction or operation of a new production facility, an operator is required to submit a notice for CalGEM's approval before undergoing that work.** (Cal. Code of Regs., tit. 14, § 1765.5.) Additional requirements for health protections zones may be found in Article 2.5 of title 14 of the California Code of Regulations.

Additional production facility requirements include, but are not limited to the filing of spill contingency plan, filing of a pipeline management plan, and production facility containment, maintenance, and testing. (Cal. Code of Regs., tit. 14, §§ 1722, subd. (b); 1773.4; 1774.2; 1773-1773.4-1774.1.)

Sincerely,



Courtney Kasberg

Attachment E

Jeremy Frankel

From: Fabian, Rachel@Wildlife <Rachel.Fabian@wildlife.ca.gov>
Sent: Friday, August 23, 2024 1:49 PM
To: Jeremy Frankel; Reinhard, David@Wildlife
Cc: Linda Krop
Subject: RE: Sable Offshore's Contingency Plans

Good afternoon Jeremy,

Thanks very much for reaching out with these questions. We have provided answers below.

1. What is the expected timeline for OSPR's review of the two plans?

OSPR has completed the initial review of the Las Flores Canyon onshore pipeline plan (CA-00-7217). Since the legal matter regarding public release of the plans was resolved earlier this week, we will direct Sable to correct the identified deficiencies. In accordance with OSPR's contingency plan regulations, a plan holder has 30 days to submit a new or modified plan, which is thoroughly reviewed as a new submittal (§ 816.03 (a)(4)).

OSPR will take at minimum 30 days to review the re-submittal dependent upon the complexity of the deficiencies. This often involves multiple back and forth communications with the plan holder to get the required information. The timeline for plan approval is dependent on Sable's timeliness in correcting the identified deficiencies.

Our initial review of the Santa Ynez Unit offshore plan (CA-00-7239) is in progress.

2. In both of the plans, Sable claims that a reasonable worst-case spill from its facilities is 0 bbl. In doing so, they cite the fact the facilities are currently idle – even though they are claiming that they will be restarting the facilities as soon as next month. Does OSPR expect Sable to submit new contingency plans, before it restarts, that consider a worst-case spill from the facilities when active?

OSPR regulations specify that plan holders shall ensure all plans are up-to-date and complete (§ 816.05 (a)(1)(A)). Sable must submit revisions to their contingency plans to account for all details associated with commencing operations of any assets covered by the plans. These revised plans must be submitted prior to any change in operations, and the plans will be fully reviewed for compliance.

3. In addition to estimating the potential volume of a spill, does a contingency plan have to consider the frequency of a spill? (In light of the corrosion issues in the onshore pipelines, Santa Barbara County estimated that a restart could lead to a spill every year, and a rupture every four years.)

The risk and hazard analysis required in contingency plans must consider any hazards that resulted in a historical spill, as well as analysis of potential discharges and their size, frequency, cause, duration, and location resulting from each type of hazard identified. The primary focus of the plan is on the ability to cleanup a spill, not on how many times on operator might spill.

4. Relatedly, must Sable's onshore contingency plan account for the fact that its onshore pipelines don't have adequate protection from corrosion?

OSPR evaluates whether contingency plans comply with our regulations, which center around the actions, processes, and resources involved in responding to a spill. The Office of the State Fire Marshal holds the authority to inspect pipelines and determine whether a pipeline has the appropriate measures in place to operate in compliance with state pipeline safety regulations.

The Coastal Commission and/or the State Lands Commission might establish equipment or protection requirements as part of any permits or leases. If any of the pipeline is within the jurisdiction of the CA Geologic Energy Management Division, there may be additional operational requirements.

Have a lovely weekend!

Thanks,

Rachel Fabian, PhD (she/her)

Response Certification & Planning Unit Supervisor

Preparedness Branch

Office of Spill Prevention and Response

California Department of Fish and Wildlife

(916) 616-0355

From: Jeremy Frankel <jfrankel@environmentaldefensecenter.org>

Sent: Thursday, August 22, 2024 12:44 PM

To: Reinhard, David@Wildlife <David.Reinhard@Wildlife.ca.gov>; Fabian, Rachel@Wildlife <Rachel.Fabian@wildlife.ca.gov>

Cc: Linda Krop <lkrop@environmentaldefensecenter.org>

Subject: Sable Offshore's Contingency Plans

WARNING: This message is from an external source. Verify the sender and exercise caution when clicking links or opening attachments.

Hi David and Rachel,

We received Sable's 2 contingency plans from OSPR yesterday: one for its offshore facilities, and one for its onshore. We're in the process of reviewing them, but we have a few initial questions that we were hoping you folks could answer:

1. What is the expected timeline for OSPR's review of the two plans?
2. In both of the plans, Sable claims that a reasonable worst case spill from its facilities is 0 bbl. In doing so, they cite the fact the facilities are currently idle – even though they are [claiming](#) that they will be restarting the facilities as soon as next month. Does OSPR expect Sable to submit new contingency plans, before it restarts, that consider a worst case spill from the facilities when *active*?
3. In addition to estimating the potential volume of a spill, does a contingency plan have to consider the frequency of a spill? (In light of the corrosion issues in the onshore pipelines, Santa Barbara County [estimated](#) that a restart could lead to a spill every year, and a rupture every four years.)
4. Relatedly, must Sable's onshore contingency plan account for the fact that its onshore pipelines don't have adequate protection from corrosion?

Thanks,



JEREMY FRANKEL (he/him/his)

STAFF ATTORNEY

906 Garden Street

Santa Barbara, CA 93101

805.963.1622 x100

www.EnvironmentalDefenseCenter.org



We recognize that EDC sits on occupied, unceded, stolen lands of the Chumash Peoples, on Shmuwich Territory, who have called this area home for time immemorial. We commit today to make space to elevate indigenous voices and support our local Chumash and indigenous communities in our work to protect our environment.

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Attachment F

HAZARDOUS MATERIALS NON-EMERGENCY/MINOR SPILL/RELEASE

INCIDENT REPORT FORM

Fax Completed Incident Report Form Within 1 Working Day To Local Fire Agency & OEM Listed On Page 1 And Follow Up With A Phone Call First Thing The Next Business Day.

1. INCIDENT AND RESPONSE DESCRIPTION

911 CALLED? ☒ Yes ☐ No

Date / Time Discovered 9:13:24 00:39 Date / Time _____ Discharge Stopped ☒ Yes ☐ No

Incident Reporting Date / Time 9:13:24 02:28 NCR / 02:33 Cal OES / 02:33 CUPA

Incident Business / Site Name Sable Offshore Corp. Las Flores Canyon Facility

Incident Address 12000 Calle Real Goleta Ca 93117

Other Locators (Bldg, Room, Oil Field, Lease, Well #, GIS) OIL TREATMENT PLANT

Please describe the incident and indicate specific causes and area affected.

See attached

Indicate actions to be taken to prevent similar spills from occurring in the future.

See attached

2. ADMINISTRATIVE INFORMATION

Business Name Sable Offshore Corp.

Address 12000 Calle Real Goleta Ca 93117

Supervisor in charge at time of incident James Esparza Phone 805 567 9547

Contact Person Patrice Surmeier Phone 805 450 6573

3. HAZARDOUS MATERIAL / RELEASE INFORMATION CALL 911 FOR RELEASES INTO WATERWAYS, WETLANDS OR AGRICULTURE AREAS.

Chemical Oil Quantity 2.5 ☒ GAL ☐ LBS ☐ FT³

Chemical Water Quantity 46 ☒ GAL ☐ LBS ☐ FT³

Chemical _____ Quantity _____ ☐ GAL ☐ LBS ☐ FT³

Clean-Up Procedures & Timeline: See attached

Completed By Patrice Surmeier Phone 805 450 6573

Print Name Patrice Surmeier Title Sr. Reg & Compliance Spr Date and Time 9/14/24 10:20

Santa Barbara County Local Fire Agency Use Only

Date Received _____ Time _____ OES Control # _____ CIR # _____

Received By _____ Assigned To _____ ER ☐ Yes ☐ No

Date / Time Reported to 911 _____ Late Report ☐ Yes ☐ No INCIDENT # _____

From 911 Dispatch ☐ Yes ☐ No Investigator Requested ☐ Yes ☐ No Time of Request _____

Time Responding _____ Time On Scene _____ Time Back in Service _____ ☐ Joint ☐ Multi-Agency

PROP 65 ☐ Yes ☐ No DATE/TIME TO HCS _____ DATE/TIME TO COUNTY OEM _____

MATERIAL _____ VOLUME _____

HAZARD _____ EVACUATION/ACCESS RESTRICTED ☐ Yes ☐ No

Current Status ☐ Clean-Up Underway ☐ Pollution Characterization Underway ☐ Case Closed (Clean-Up Completed or Unnecessary)
☐ Condition Abated ☐ Preliminary Site Assessment Underway ☐ Investigation
☐ No Action Taken ☐ Other

COMMENTS _____

NOTIFICATION CHECKLIST CODE 20 ☐ YES ☐ NO ☐ UNKNOWN ☐ LOCAL FIRE ☐ APCD ☐ CAL TRANS
☐ COUNTY OEM ☐ COUNTY PETROLEUM ☐ COUNTY AG COM ☐ ROAD DEPT ☐ CHP ☐ CAL OSHA
☐ STATE OES RESPONSE ☐ STATE DOGGR ☐ STATE FISH & WILDLIFE ☐ STATE RWQCB ☐ EHS ☐ CLERK OF THE BOARD

Describe incident and indicate specific causes and area affected

At approximately 00:38 9/13/24, a vacuum truck operator reported a spill to the Las Flores Canyon Control Room. Approximately 5 minutes before, at 00:33, the operator discovered that he mistakenly overfilled the truck during an oily water transfer operation and approximately 49 gallons of oily water (2.5 gallons of oil, 46 gallons of water) was released onto an asphalt roadway and adjacent gravel within a developed processing area called the Oil Treatment Plant. The truck operator stopped the fluid transfer upon discovery. Absorbent litter and berms were put out to limit the spread of the material. The release did not enter or threaten to enter state waters.

Indicate actions to be taken to prevent similar spills from occurring in the future

An investigation of the incident is being performed. Vacuum trucks will be positioned on containment mats or equivalent to collect any unanticipated releases.

Clean-Up Procedures & Timeline

Clean up crews were called out and arrived onsite at 02:45 9/13/24. Absorbent material was used to remove the oily water. Contaminated material was collected and bagged. Clean up activities were completed at 12:05 9/13/24. The waste will be characterized and disposed at an appropriate waste facility following state and federal waste regulations.

Attachment G

Jeremy Frankel

From: Briggs, Errin <ebriggs@countyofsb.org>
Sent: Friday, October 11, 2024 4:20 PM
To: Jeremy Frankel
Cc: Nall, Katie; Linda Krop; Ybarra, Jacquelynn
Subject: RE: Sable pipeline questions

Hi Jeremy,

I understand what Sable is representing to its investors. As with much of what they push out to investors, not everything they represent is accurate.

I have no information that would lead me to believe they are, or will construct new pump stations. If they do wish to construct a new pump station, certainly that would require a permit from the County and I would expect Sable to request that permit prior to any development activities. I have let them know what my expectations are in this regard.

They mentioned in their statement below that they plan to “outfit a control center” in the Santa Maria area. I have no additional information on where this may be located at this time. When anything else on this topic becomes available, Jax and I will let you guys know.

Thank you and have a great weekend,



Errin Briggs
Deputy Director, Energy Minerals & Compliance
Planning & Development
County of Santa Barbara
123 E. Anapamu St.
Santa Barbara, CA 93101
805-568-2047
ebriggs@countyofsb.org
<https://www.countyofsb.org/160/Planning-Development>

From: Jeremy Frankel <jfrankel@environmentaldefensecenter.org>
Sent: Friday, October 11, 2024 3:39 PM
To: Briggs, Errin <ebriggs@countyofsb.org>
Cc: Nall, Katie <nallk@countyofsb.org>; Linda Krop <lkrop@environmentaldefensecenter.org>; Ybarra, Jacquelynn <jybarra@countyofsb.org>
Subject: RE: Sable pipeline questions

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Thanks, Errin.

Just a reminder, here is what Sable represented to the SEC and its investors in July, which appears to be inaccurate:

“In cooperation with and under the supervision of OSFM personnel, PPC is **currently . . . installing new pump stations, and constructing multiple new control facilities for lines 324 and 325**, all in preparation for restart of Las Flores Canyon processing facilities and associated Santa Ynez Unit offshore production platforms. Restart is expected in late third quarter 2024 or early fourth quarter 2024.”

JF



JEREMY FRANKEL (he/him/his)

STAFF ATTORNEY

906 Garden Street

Santa Barbara, CA 93101

805.963.1622 x100

www.EnvironmentalDefenseCenter.org



We recognize that EDC sits on occupied, unceded, stolen lands of the Chumash Peoples, on Shmuwich Territory, who have called this area home for time immemorial. We commit today to make space to elevate indigenous voices and support our local Chumash and indigenous communities in our work to protect our environment.

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From: Briggs, Errin <ebriggs@countyofsb.org>

Sent: Friday, October 11, 2024 3:18 PM

To: Jeremy Frankel <jfrankel@environmentaldefensecenter.org>

Cc: Nall, Katie <nallk@countyofsb.org>; Linda Krop <lkrop@environmentaldefensecenter.org>; Ybarra, Jacquelynn <jybarra@countyofsb.org>

Subject: RE: Sable pipeline questions

Hi Jeremy,

Here's what I received from Sable staff:

Pacific Pipeline Company (PPC), which is a wholly owned subsidiary of Sable Offshore Corp., owns three existing pump stations along the pipeline route at Las Flores Canyon, Gaviota (Pt. Arguello at Mariposa Reina) and Sisquoc which are critical to decreasing pipeline pressure consistent with enhanced safety plans. No new pump stations will be installed. PPC plans to outfit a control room near Santa Maria within an existing building requiring no new construction.

Hope this helps,



Errin Briggs

Deputy Director, Energy Minerals & Compliance

Planning & Development
County of Santa Barbara
123 E. Anapamu St.
Santa Barbara, CA 93101
805-568-2047

ebiggs@countyofsb.org

<https://www.countyofsb.org/160/Planning-Development>

From: Jeremy Frankel <jfrankel@environmentaldefensecenter.org>

Sent: Tuesday, October 8, 2024 2:02 PM

To: Briggs, Errin <ebiggs@countyofsb.org>

Cc: Nall, Katie <nallk@countyofsb.org>; Linda Krop <lkrop@environmentaldefensecenter.org>; Ybarra, Jacquelynn <jybarra@countyofsb.org>

Subject: RE: Sable pipeline questions

Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Hi Errin,

Just following up on this.

Did the County look in to whether Sable was installing new pump stations and control facilities? If so, did the County make any determinations about whether those activities would require a CDP?

Thanks,



JEREMY FRANKEL (he/him/his)

STAFF ATTORNEY

906 Garden Street

Santa Barbara, CA 93101

805.963.1622 x100

www.EnvironmentalDefenseCenter.org



We recognize that EDC sits on occupied, unceded, stolen lands of the Chumash Peoples, on Shmuwich Territory, who have called this area home for time immemorial. We commit today to make space to elevate indigenous voices and support our local Chumash and indigenous communities in our work to protect our environment.

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Attachment H

**CALIFORNIA STATE LANDS
COMMISSION**

100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202



Established in 1938

JENNIFER LUCCHESI, Executive Officer

916.574.1800

TTY CA Relay Service: **711** or Phone **800.735.2922**
from Voice Phone **800.735.2929**
or for Spanish **800.855.3000**

Contact Phone: (916) 574-1900

April 10, 2024

File Ref.: Leases 4977,
7163, 5515, 6371

Dylan Boyer (SENT VIA ELECTRONIC MAIL ONLY:

dylan.w.boyer@exxonmobil.com)

Exxon Mobil Corporation

Subject: Applications for Assignment of Lease, Santa Ynez Unit Facilities, Santa
Barabara County

Dear Mr. Boyer:

On March 13, 2024, Exxon Mobil Corporation (Exxon) submitted four applications to assign its lease interest in the referenced leases to Sable Offshore Corporation (Sable). Based on our review of the materials submitted with the applications, it has been determined that the applications are complete for purposes of the California Environmental Quality Act (CEQA) as of April 12, 2024. For the purpose of processing the applications, Exxon may be requested to clarify, amplify, correct, or otherwise supplement the information submitted on the applications.

While the applications are complete for purposes of CEQA, staff require additional information to continue processing the applications and prior to scheduling them for the Commission's consideration. Please provide the following information at your earliest convenience.

1. Describe who will staff, operate, and maintain the three offshore platforms, the Las Flores Canyon processing facility, lines 901/903, and other Santa Ynez Unit (SYU) facilities under Sable's ownership, including the authorized improvements under leases 4977, 7163, 5515, and 6371.
 - o Organization chart and brief bios of staff's experience in operations of these assets or similarly situated offshore oil and gas production facilities.

2. Provide a copy of the final, executed purchase and sales agreement between Exxon and Sable.
3. Provide an organization chart and brief bios for the Sable senior management team. Include all relevant information related to the individual's experience in the offshore oil and gas industry, including oil and gas pipeline operation and maintenance, and when they last worked in the industry.
4. Provide staff with contingency plans that Sable will implement during periods of extended low oil prices, significant financial losses, and bankruptcy.
5. Provide staff with information addressing how Sable will address financing/operating the SYU if it remains shut-in longer than anticipated.
6. Provide copies of the bonds for Leases 5515 and 6371 and provide verification from the bond issuer that they are in good standing.
 - o Lease 6371 requires a bond of \$80,000, however, staff is only in receipt of a \$25,000 bond (Bond No. 019051655) issued by Liberty Mutual Insurance Company in 2015.
 - o Lease 5515 requires a \$30 million bond.
7. Update the attached timeline chart previously provided to staff on January 25, 2023.
8. Provide an updated projected reserve and resource summary. The previous summary was provided to staff on February 28, 2023 (attached).
9. Provide Sable Pro Forma projected financial statements (Balance Sheet, Income Statement, and Statement of Cash Flows) for 2024 and any other future periods.
10. On February 28, 2023, Sable provided staff information related to plans for restarting production at the SYU facilities (see response #1). Please provide an update for each of the four primary workflows and the projected SYU restart date. Also provide a detailed summary of the process and timeline for restarting SYU operations.

11. Provide a detailed summary of the process and timeline for bringing lines 901/903 back into operation.
12. Information detailing the economic life of the SYU facilities under a reasonable range of oil price scenarios, taking into account per barrel price fluctuations over the past 10 years. Sable previously provided information to staff on February 28, 2023, under an assumed \$50 flat Brent crude price. Please provide the estimated economic life at varying oil prices, specifically at \$40, \$80, and \$100 per barrel.
13. List of financial securities for decommissioning the federal platforms (including plugging the wells and removing the associated oil infrastructure). Sable previously informed staff that the dollar amount of these securities had not been determined as of February 28, 2023.
14. Provide an independent third party estimate for cost of removal for the lease improvements for leases 4977 and 7163.

You will be advised as to the conduct and needs of this process as it progresses. Please contact me at (916) 574-2275 or at Drew.Simpkin@slc.ca.gov, if you have any questions concerning the applications.

Sincerely,



Drew Simpkin
Public Land Management Specialist

Attachments

cc: Nathan Franka (nathan.p.franka@exxonmobil.com)
Steve Rusch (srusch@sableoffshore.com)
Chris Workman (CSLC)

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or for Spanish **800.855.3000**

Contact Phone: (916) 574-1900

May 23, 2024

File Ref.: Leases 4977,
7163, 5515, 6371

Dylan Boyer (SENT VIA ELECTRONIC MAIL ONLY:

dylan.w.boyer@exxonmobil.com)

Exxon Mobil Corporation

Subject: Applications for Assignment of Lease, Santa Ynez Unit Facilities, Santa
Barabara County

Dear Mr. Boyer:

On April 30, 2024, Exxon provided written responses to Commission staff's request for additional information, dated April 10, 2024. After reviewing Exxon's responses, additional information is required to continue processing the applications and prior to scheduling the proposed assignments for the Commission's consideration. Please provide the following information at your earliest convenience.

Question/response #1:

- In accordance with Public Resources Code section 6804, subd. (b), which allows the commission to consider the experience and managerial control of the proposed assignee, we request an organizational chart of:
 - o Sable's senior management team; and
 - o Sable's staff who will operate and maintain the SYU assets, namely the pipelines leased by the Commission.

This information is necessary to evaluate the qualifications and experience of key personnel who will be responsible for managing the leases, ensuring compliance with all terms and conditions.

Question/response #14

- Include the removal cost estimate for the three power cables under lease 7163 to the Petra cost estimate, dated April 24, 2024.

D. Boyer
May 23, 2024
Page 2

Additionally, Exxon must provide evidence of a legal relationship with Sable in order for Sable to operate the pipelines and other lease improvements. An agreement between Exxon and Sable is required stating that Sable is authorized (as a subcontractor, operator, agent, etc.) to operate the pipelines and lease improvements on behalf of Exxon and that Sable will be acting as Exxon's agent in the submission of required restart testing/inspections and other required lease submissions until such time as the Commission authorizes the assignments.

You will be advised as to the conduct and needs of this process as it progresses. Please contact me at (916) 574-2275 or at Drew.Simpkin@slc.ca.gov, if you have any questions concerning the applications.

Sincerely,

A handwritten signature in black ink that reads "Drew Simpkin". The signature is written in a cursive, flowing style.

Drew Simpkin
Public Land Management Specialist

cc: Nathan Franka (nathan.p.franka@exxonmobil.com)
Steve Rusch (srusch@sableoffshore.com)
Chris Workman (CSLC)

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Contact Phone: (916) 574-1900

May 23, 2024

File Ref.: Leases 4977,
7163, 5515, 6371

Dylan Boyer (SENT VIA ELECTRONIC MAIL ONLY:

dylan.w.boyer@exxonmobil.com)

Exxon Mobil Corporation

Subject: Applications for Assignment of Lease, Santa Ynez Unit Facilities, Santa
Barabara County

Dear Mr. Boyer:

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Question/response #1:

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 - o Sable's senior management team; and
 - o Sable's staff who will operate and maintain the SYU assets, namely the pipelines leased by the Commission.

This information is necessary to evaluate the qualifications and experience of key personnel who will be responsible for managing the leases, ensuring compliance with all terms and conditions.

Question/response #14

- Include the removal cost estimate for the three power cables under lease 7163 to the Petra cost estimate, dated April 24, 2024.

Additionally, Exxon must provide evidence of a legal relationship with Sable in order for Sable to operate the pipelines and other lease improvements. An agreement between Exxon and Sable is required stating that Sable is authorized (as a subcontractor, operator, agent, etc.) to operate the pipelines and lease improvements on behalf of Exxon and that Sable will be acting as Exxon's agent in the submission of required restart testing/inspections and other required lease submissions until such time as the Commission authorizes the assignments.

You will be advised as to the conduct and needs of this process as it progresses. Please contact me at (916) 574-2275 or at Drew.Simpkin@slc.ca.gov, if you have any questions concerning the applications.

Sincerely,

A handwritten signature in black ink that reads "Drew Simpkin". The signature is written in a cursive, flowing style.

Drew Simpkin
Public Land Management Specialist

cc: Nathan Franka (nathan.p.franka@exxonmobil.com)
Steve Rusch (srusch@sableoffshore.com)
Chris Workman (CSLC)

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from Voice Phone **800.735.2929**
or for Spanish **800.855.3000**

Contact Phone: (916) 574-1900

August 16, 2024

File Ref.: Leases 4977,
7163, 5515, 6371

Dylan Boyer (SENT VIA ELECTRONIC MAIL ONLY) dylan.w.boyer@exxonmobil.com
Exxon Mobil Corporation

Subject: Applications for Assignment of Lease, Santa Ynez Unit Facilities, Santa
Barabara County

Dear Mr. Boyer:

I am writing in acknowledgment of, and in response to, Exxon's July 3, 2024, letter. In that letter, Exxon granted consent "to Sable's direct engagement with CSLC in regards to the submission, review and approval of the SYU PRIP by Sable, provided that Exxon Mobil is fully informed of material updates in regard to same, including any approvals thereof."

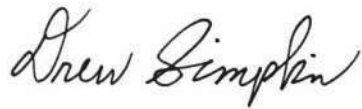
In our earlier communication on May 23, 2024, Exxon was explicitly asked to provide clear evidence of a legal relationship with Sable that would authorize Sable to operate the pipelines and other lease improvements (please see the attached for reference). Staff appreciates Exxon's efforts; however, the response in your recent letter falls short of addressing the core issue. The Commission's engagement with Sable is not predicated on Exxon providing its consent.

For staff's review of the pending lease assignment applications, it is imperative that Exxon formalizes its relationship through a binding agreement with Sable regarding the use of the lease premises on state land. Importantly, while each lease requires Commission authorization for assignment or sublease, the leases also permit the existing lessee to allow employees, agents, servants, and invitees to occupy or use any portion of the lease premises without specific

Commission authorization.¹ This point is critical in light of Exxon's decision to transfer ownership of the SYU assets to Sable while retaining the leases on state land. Therefore, to facilitate staff's review of the pending applications, staff expect Exxon to submit a copy of a formal agreement with Sable that links Exxon's ongoing status as a lessee with Sable's authorization to operate on the lease premises as an agent or equivalent, as permitted under the leases.

Please contact me at (916) 574-2275 or at Drew.Simpkin@slc.ca.gov, if you have any questions concerning the applications.

Sincerely,

A handwritten signature in black ink that reads "Drew Simpkin". The signature is written in a cursive, flowing style.

Drew Simpkin
Public Land Management Specialist

Attachment(s): CSLC Letter to Exxon dated May 23, 2024

cc: Nathan Franka (nathan.p.franka@exxonmobil.com)
Steve Rusch (srusch@sableoffshore.com)
Stephen Laperous (slaperouse@sableoffshore.com)
Chris Workman (CSLC)

¹ See e.g., Lease 5515, section 3 (General Provisions), paragraph 11(a). Each lease contains similarly phrased language for this allowance.

Attachment I

**APPLICATION FOR CERTIFICATE OF FINANCIAL RESPONSIBILITY
FOR INLAND FACILITIES**

DFW 1932 (NEW 06/21/17) Page 1 of 4



WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via-email will be returned undeliverable.
NOTE: A Contingency Plan is also required, pursuant to Government Code section 8670.29
Please type or print clearly in English when completing this application. Refer to page 4 of application for instructions on completing this form.

SECTION A. APPLICANT INFORMATION

1. Legal name of applicant: Sable Offshore Corp.

Mailing Address: 845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number: (713) 579-6161

Email: Not Applicable

2. Address of principal place of business of applicant if different from above:

845 Texas Ave, Ste 2920, Houston, TX 77002

3. Trade name (if any), dba, or other name generally known to the public:

Las Flores Canyon

4. Financial contact person:

Contact Name: Todd Griggs

Title: VP Treasury

Mailing Address:

845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number:

Fax Number:

Email:

(832) 563-6952

Not Applicable

TGriggs@sableoffshore.com

5. If applicant is a subsidiary or not wholly owned, provide the following information:

Name of parent corporation or owning entities: Sable Offshore Corp.

Mailing Address: 845 Texas Ave, Ste 2920, Houston, TX 77002

Date and State of incorporation of parent corporation/owning entities:

Date: October 16, 2020

State: Delaware

6. Certificate recipient (who should receive certificates):

Recipient Name: Todd Griggs

Mailing Address:

845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number:

Fax Number:

Email:

(832) 563-6952

Not Applicable

TGriggs@sableoffshore.com

7. Agent for Service of Process. Agent must provide a California address. (No P.O. Boxes):

Agent Name: CT Corporation System

Mailing Address: 330 North Brand Blvd, Glendale, CA 91203

Phone Number: (844) 878-1800

8. Name and address of lessor if the facility is leased or located on leased land:

Lessor Name: N/A

Lessor Address: N/A



SECTION B. DESCRIPTION OF INLAND FACILITIES

1. Type of facility or facilities (pipeline, production facility, railroad line, or other type of facility). If application applies to more than one type of facility, list the types of facilities to which the application applies:

2. List the name and location of facility or facilities to which the application applies below. Include pipeline number, beginning and terminus of pipelines. Provide beginning and terminus of railroad lines.

3. Please indicate the type risk (Intermittent or Perennial) imposed by each facility listed below by circling the correct risk type.

Las Flores Canyon

Facility Name: Las Flores Canyon

Risk Type _____ or Intermittent

Facility location and reasonable worst case spill volume:

Perennial

12000 Calle Real, Goleta, CA 93117

1 Bbl while active but idle

*RWCS _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS: _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spil

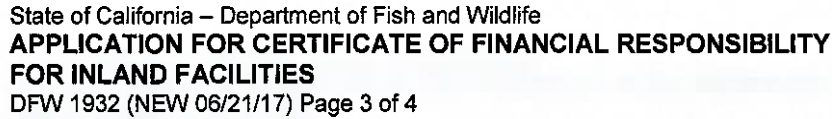
*RWCS: _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS: _____



I, Craig Landry (print name) am the applicant, or a principal of the applicant, an authorized agent*, or an official of the applicant, and have the authority to sign this application on behalf of the applicant. I DECLARE under penalty of perjury that I have examined this application, including all accompanying schedules and statements, and to the best of my knowledge, information and belief, find it to be true, correct, and complete. Furthermore, it is agreed that the applicant named in Section A of this application is the responsible party in the event of an oil spill. I execute this declaration in my capacity as applicant, principal of the applicant, official of the applicant, or as the authorized agent as evidenced by the delegation of such authority provided below.

Date 4/9/2024

Craig R. Lindry
Signature

Vice President, Operations
Title or Official Capacity

*Note: If the Declaration is signed by an authorized agent of the applicant, the applicant or a principal of the applicant must sign the following Section D. Delegation of Authority.

SECTION D. DELEGATION OF AUTHORITY BY THE APPLICANT

(Must be completed by the applicant or principal of the applicant if the above declaration has been executed by an agent acting on behalf of the applicant)

I, Not Applicable (name of the applicant) hereby declare that

_____ (name of authorized agent whose signature appears in Section C) is authorized to submit an application for a California Certificate of Financial Responsibility on behalf of the applicant.

Date _____

Signature _____

Title or Official Capacity	Signature	Date
_____	_____	_____
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State of California – Department of Fish and Wildlife
**APPLICATION FOR CERTIFICATE OF FINANCIAL RESPONSIBILITY
FOR INLAND FACILITIES**
DFW 1932 (NEW 06/21/17) Page 4 of 4

INSTRUCTIONS

- 1 Submit completed application by selecting one of the following methods:

U.S. Mail:

Department of Fish and Wildlife
Office of Spill Prevention and Response
P.O. Box 944209
Sacramento, CA 92444-2090

Courier Service:

Department of Fish and Wildlife
Office of Spill Prevention and Response
1010 Riverside Parkway
West Sacramento, CA 95605

Fax: (916) 371-8941

Email: cacofr-facilities@wildlife.ca.gov

WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via email will be returned undeliverable.

2. Application Process: Applications will be reviewed within 30 calendar days of receipt provided that adequate information is furnished in the application and acceptable evidence of financial responsibility is received. OSPR verifies the amount of financial responsibility provided per the formulas located in regulation.

To calculate financial responsibility, see Title 14, California Code of Regulations, section 791.7(e)(2)(A-G) at <https://www.wildlife.ca.gov/OSPR/Legal/OSPR-Regulations-Index>

3. Renewal Process: COFRs for facilities are valid for two (2) years. Applications will be reviewed within 30 calendar days of receipt provided that adequate information is furnished in the application and acceptable evidence of financial responsibility is received.

NOTE: Use of self-insurance requires submission of audited financial statements annually.

4. Specific instructions relating to the application process:

Section A - Applicant Information: All applications must include an 'Agent for Service of Process', see #7.

Section B - Description of Facility: Include reasonable worst case spill (RWCS) volume, reported in applicant's California oil spill contingency plan, for each facility.

Section C - Declaration

Section D - Delegation of Authority

Miscellaneous instructions:

- If a question does not apply, answer "not applicable."
- Incomplete applications will not be processed until OSPR receives additional information needed for processing.
- If additional space is required, supplemental sheets may be attached.

Please contact the Financial Responsibility Unit at (916) 375-6072 if you have any questions.

APPLICATION FOR CERTIFICATE OF FINANCIAL RESPONSIBILITY FOR

MARINE FACILITIES

SAVE AS

PRINT

DFW 1924 (Rev.8/14) Page 1



WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via-email will be returned undeliverable.

NOTE: A Contingency Plan is also required, pursuant to Government Code Section 8670.29

Please type or print clearly in English when completing this application. Refer to pages 8 and 9 of application for instructions on completing this form.

SECTION A. GENERAL INFORMATION

1. Legal name of applicant:

2. Mailing

Texas Ave, Ste 2920
Houston, TX 77002
Sable Offshore Corp.

845
H

3. Telephone:

4. Email address:

(713) 579-6161

5. Address of principal place of business of applicant if different from above.

Not Applicable

Ave,
, TX 77002
845 Texas Ste 2920
Houston

6. Trade name (if any), dba, or other name generally known to the public

N/A

7. Financial contact person contact information: name, address, title, telephone, facsimile, and email address.

Contact Name:

G

Title:

Todd riggs

Mailing Address:

VP Treasury
Houston, TX 7
845 Texas Ave, Ste 2920
7002

Telephone number:

(832) 563-6952

Facsimile number:

N/A

Email address:

TGriggs@sableoffshore.com

8. If applicant is a subsidiary or not wholly owned, provide the following information:

a. Name of parent corporation or owning entities:

Mailing Address: Sable Offshore Corp.
Houston, TX 77002
845 Texas Ave, Ste 2920
Houston, TX 77002

b. Date and state of incorporation of parent corporation/owning entities.

Date: October 16, 2020 State: Delaware

9. Certificate(s) recipient (who should receive certificates) including name, address, telephone, facsimile, email address. (NO P.O. Boxes)

Recipient Name: Todd Griggs
Mailing Address: Todd Griggs
Ave, Ste 2920
Houston, TX 77002
845 Texas Ave, Ste 2920
Houston, TX 77002
Telephone number: (832) 563-6952
Facsimile number: N/A
Email address: TGriggs@sableoffshore.com

10. Agent for Service of Process. Agent must provide California address. No P.O. Boxes.

Name: CT Corporation System
Mailing Address: 230 North Brand Blvd
Glendale, CA 91203
Telephone number: (844) 878-1800

SECTION B. GENERAL DESCRIPTION OF THE FACILITY OR FACILITIES

1. Type of facility or facilities (Marine Terminal, Pipeline, Platform, Small Marine Fueling Facility, or other type of facility). If application applies to more than one facility, list the types of facilities to which the application

applies.
Pipeline

2. Name and location of facility or facilities to which the application applies.

Facility Name:

Facility location: Crude Santa Ynez Unit to Las Flores Canyon Facility waters #5510490

Fede

SEG

3. Name and address of lessor if the facility is leased or located on leased land.

Lessor name:

Lessor address:

Not Applicable

Not Applicable

SECTION C. SPECIFIC DESCRIPTION OF FACILITY OR FACILITIES

1

S)

MARINE TERMINAL

For each terminal, fill out the pipeline information in 2. below, and provide the following information that is reflected in the contingency plan for the facility following information that is reflected in the contingency plan for the facility.

Description/location:

Not Applicable

Reasonable Worst Case Spill volume:

Not Applicable

Attach additional spread sheet if necessary

2 **PIPELINE(S)** (To be completed by pipeline owners or operators as well as owners or operators of offshore platforms and marine terminals.)

a. Pipeline number or designation

Description/location:

Crude oil & water emulsion pipeline from SYU to Las Flores Canyon Facility

Reasonable Worst Case Spill volume:

1 Bbl

Attach more forms as necessary

Attach additional spread sheet if necessary

SMALL MARINE FUELING FACILITY(S) (For mobile transfer units, use the "Application for Certificate of Financial Responsibility for Mobile Transfer Units", DFW 1946 (6/14)). For each small marine fueling facility indicate:

a. Type of vessels served (e.g., recreational/commercial/combination).

Not Applicable

b. During the past twelve-month period, approximately what percent of the craft serviced by this facility were greater than 20 meters in length?

Not Applicable %

c. Types of oil products handled.

Not Applicable

d. Annual throughput volume of over-the-water transfers (in gallons).

Not Applicable

e. Indicate the capacity in each storage tank at the facility.

Description/location: Not Applicable

Reasonable Worst Case Spill volume: Not Applicable

Attach additional spread sheet if necessary

4. OFFSHORE FACILITY (If the offshore facility is located in California marine waters, complete this Section and Section C (2) of this application. If the offshore facility is in Federal waters and has a pipeline coming into California waters, complete Section C (2)).

a. For each offshore facility indicate type of facility (e.g., production platform, drilling unit, satellite well, production pier, artificial island, etc.):

Not Applicable

b. Is the owner or operator of the facility currently authorized to engage in drilling operations under a permit issued by the California State Lands Commission or Division of Oil and Gas and Geothermal?

Yes

☐

No

☐

If yes, Issue date:

Not Applicable

Expiration date:

c. If a production facility, provide maximum daily production rate, in barrels, of gross production and net oil

Gross production:

Net Oil:

d. Rate of transfer, in barrels per hour, into pipeline(s) connected to facilities located on-shore.

Gross production:

Not Applicable

Net Oil:

e. Emergency reaction time (in minutes) - Amount of time required discovering a release of oil and complete emergency shut-off of operations to stop discharge of oil into marine waters. (Indicate both automatic and manual emergency shut-down times.):

Discovery time:

Auto shut-off time:

Manual shut-off time:

f. Type(s) and quantity of oil and petroleum products stored on the facility:

Type:

Quantity:

Man

Not Applicable

g. Enter the number of oil wells as follows:

Total number of oil wells:

Not Applicable

Number of free-flowing oil wells:

Not Applicable

Total number of oil wells currently in production:

Not Applicable

h. For each offshore facility, provide the following information that is reflected in the contingency plan for the facility (Reference Title 14, California Code of Regulations, Section 817.02(d) (1)-(3):

Reasonable Worst Case Spill volume:

Not Applicable

OTHER TYPE OF MARINE FACILITY

This section should be used to describe facilities such as production facilities, dehydration facilities, and other types of facilities located on or in California marine waters or which are located where a release of oil.

a. Type of facility:

Not Applicable

b. If a production facility, provide the following information:

1. Daily production (barrels)

Gas production:

Not Applicable

Net oil:

Not Applicable

2. Number of wells producing oil:

Not Applicable

3. Number of free-flowing oil wells:

Not Applicable

c. For all types of facilities reported in this section provide separate documents describing the facility. These documents should include all relevant information which could affect reasonable worst case spill volume. This information should include transfer rates, line fill capacities, discover times, automatic and manual shut-down times, storage tank capacities and type of secondary containment. Also, provide a diagram of the facility showing location of flow lines, gathering lines, storage tanks, and any other physical characteristics of the facility.

d. For each facility, provide the following information that is reflected in the contingency plan for the facility (Reference Title 14, California Code of Regulations, Section 817.02(d)(1)-(3)).

Reasonable Worst Case Spill volume: _____ of _____ (barrels)
N Applicable

SECTION D. DECLARATION

(Must be completed by all applicants)

I, Craig Landry (print name) am the applicant, or I am _____ official of the applicant, and have the authority to sign this application on behalf of the applicant. I DECLARE under penalty of perjury that I have examined this application, including all accompanying schedules and statements, and to the best of my knowledge, information and belief, find it to be true, correct, and complete. Furthermore, it is agreed that the applicant named in Section A of this application is the responsible party in the event of an oil spill. I execute this declaration in my capacity as applicant, principal of the applicant, official of the applicant or as the authorized agent as evidenced by the delegation of such authority provided below.

4/9/2024
DATE

Craig D. Landry
Signature
Vice President, Operations
Title or Official Capacity

NOTE: If the Declaration is signed by an authorized agent of the applicant, the applicant or a principal of the applicant must sign the following Section E. Delegation of Authority

SECTION E. DELEGATION OF AUTHORITY BY THE APPLICANT

(Must be completed by the applicant or principal of the applicant if the above declaration has been executed by an agent acting on behalf of the applicant)

I, Craig Landry (name of the applicant)
hereby declare that _____ (name of authorized agent)
whose signature appears in Section D) is authorized to submit an application for a California Certificate of Financial Responsibility on behalf of the applicant.

DATE

Signature
Vice President
Title or Official Capacity

INSTRUCTIONS

1. Owner or operator means, in the case of a marine facility, any person who owns, has ownership interest in, or operates the marine facility

2. Submit completed application by selecting one of the following methods:

U.S. Mail:

Department of Fish and Wildlife
Office of Spill Prevention and Response
P.O. Box 944209
Sacramento, CA 92444-2090

Fax: (916) 371-8941

Courier Service:

Department of Fish and Wildlife
Office of Spill Prevention and Response
1010 Riverside Parkway
West Sacramento, CA 95605

Email: cacofr-facilities@wildlife.ca.gov

WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via email will be returned undeliverable.

3. Application Process. Applications will be reviewed within 21 calendar days of receipt provided that adequate information was furnished in the application and acceptable evidence of financial responsibility has been received. OSPR verifies the amount of financial responsibility provided per the formulas located in regulation

To calculate financial responsibility, see Section 791.7 (e) (2) A-F at http://www.dfg.ca.gov/ospr/Law/index_ospr_regs.aspx

NOTE: Use of self insurance requires submission of audited financial statements annually.

4. Renewal Period. COFRs for marine facilities are good for two (2) years. COFRs for mobile transfer units are good for one (1) year. Applications will be reviewed within 21 calendar days of receipt provided that adequate information was furnished in the application and acceptable evidence of financial responsibility has been received

5. Specific instructions relating to the application process.

Section A - General Information: MUST BE completed by all applications.

Section B - Description of Facility: Description of the Facility: must be completed by all applicants. (If application applies to more than one facility, for each facility list the specific information required in Section C on separate sheets.)

Section C - Specific Description of the Facility or Facilities:

1. **Marine Terminal:** Must be completed by the owner or operator of those marine terminal(s) for which the applicant intends to obtain certificate(s) of financial responsibility. A marine terminal includes the pipeline(s) located in marine waters. The pipeline(s) are not considered a separate facility where the applicant is the

owner or operator of both the terminal and the pipeline(s).

2. **Pipeline:** Must be completed by the owner or operator of those pipeline(s) and offshore platforms for which the applicant intends to obtain certificate(s) of financial responsibility. For the purpose of this application, the pipeline(s) that is (are) used to transfer oil from an offshore platform(s) located outside California marine waters to an on-shore facility(s) is (are) considered to be a separate facility(s).
3. **Small Marine Fueling Facility:** Must be completed by the owner or operator of the small marine fueling facility(s) unless the facility is a "small craft refueling dock". Certificates of Financial Responsibility are not required for "small craft refueling docks". However, each "small craft refueling dock" must be registered with the Department of Fish and Game's Office of Spill Prevention and Response. A "small craft refueling dock" is a waterside operation that dispenses non-persistent products (e.g., gasoline and diesel fuel) in bulk and/or small amounts of persistent lubrication oil in containers, primarily to small craft and does not have storage capacity exceeding 20,000 gallons in any single storage tank or tank compartment, and has a total useable tank storage capacity not exceeding 75,000 gallons. For these purposes, "small craft" is defined as a waterborne craft, other than a tanker or barge, which is less than 20 meters in length.
4. **Offshore Facilities:** Must be completed by the owner or operator of those offshore platform(s), production piers, artificial island, or any other type of offshore facility located in California marine waters for which the applicant intends to obtain certificate(s) of financial responsibility.
5. **Other Types of Facilities:** Must be completed by owners or operators of other types of facilities that are located on or in California marine waters or are located where a release of oil could impact marine waters.

Section D - Declaration

Section E - Delegation of Authority

Sections A, B, C and D must all be completed by the applicant or delegated authority. Section E, Delegation of Authority, must be executed by the applicant or a principal of the applicant when an application is signed by an agent of the applicant.

Miscellaneous instructions:

6. a. If a question does not apply, answer "not applicable."
- b. Incomplete applications will not be processed until OSPR receives additional information needed for processing.
- c. If additional space is required, supplemental sheets may be attached.

Please contact the Financial Responsibility Unit at (916) 375-6072 if you have any questions.

APPLICATION FOR CERTIFICATE OF FINANCIAL RESPONSIBILITY FOR

MARINE FACILITIES

DFW 1924 (Rev.8/14) Page 1



WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via-email will be returned undeliverable.

NOTE: A Contingency Plan is also required, pursuant to Government Code Section 8670.29

Please type or print clearly in English when completing this application. Refer to pages 8 and 9 of application for instructions on completing this form.

SECTION A. GENERAL INFORMATION

1. Legal name of applicant:

Pacific Pipeline Company

2. Mailing

5 Ave, Ste
Houston, TX 77002 2920

3. Telephone:

4. Email address:

Not Applicable

5. Address of principal place of business of applicant if different from above.

845 as Ste
Texas Ave, 02 2920
Houston, TX 770

6. Trade name (if any), dba, or other name generally known to the public

N/A

7. Financial contact person contact information: name, address, title, telephone, facsimile, and email address.

Contact Name:

Todd Griggs

Title:

VP Treasury

Mailing Address:

845 Texas Ave Ste
Houston, TX 77002 2920

Telephone number:

(832) 563-6952

Facsimile number:

N/A

Email address:

TGriggs@sableoffshore.com

8. If applicant is a subsidiary or not wholly owned, provide the following information:

a. Name of parent corporation or owning entities:

Sable Offshore Corp.

Mailing

845 Texas Ave, Ste 2920
Houston, TX 77002

b. Date and state of incorporation of parent corporation/owning entities.

Date: October 16, 2020

State: Delaware

9. Certificate(s) recipient (who should receive certificates) including name, address, telephone, facsimile, email address. (NO P.O. Boxes)

Recipient Name: Lance Yearwood

Mailing Address: 845 Texas Ave, Ste 2920
Houston, TX 77002

Telephone number: (832) 434-9461

Facsimile number: N/A

Email address: LYearwood@sableoffshore.com

10. Agent for Service of Process. Agent must provide California address. No P.O. Boxes.

Name: CT Corporation System

Mailing Address: 330 North Brand Blvd
Glendale, CA 91203

Telephone number: (844) 878-1800

SECTION B. GENERAL DESCRIPTION OF THE FACILITY OR FACILITIES

1. Type of facility or facilities (Marine Terminal, Pipeline, Platform, Small Marine Fueling Facility, or other type of facility). If application applies to more than one facility, list the types of facilities to which the application applies.

Pipeline

2. Name and location of facility or facilities to which the application applies.

Facility Name: CA-324 - Las Flores Pipeline (Las Flores Canyon to Gaviota)

Facility location: 24-inch diameter crude oil pipeline, extends approximately 10.86 miles in length from Los Flores Station to Gaviota Station, in Santa Barbara County, California.

3. Name and address of lessor if the facility is leased or located on leased land.

Lessor name: Not Applicable

Lessor address: Not Applicable

SECTION C. SPECIFIC DESCRIPTION OF FACILITY OR FACILITIES

1. MARINE TERMINAL(S)

- a. For each terminal, fill out the pipeline information in 2. below, and provide the following information that is reflected in the contingency plan for the facility following information that is reflected in the contingency plan for the facility.

Description/location: Not Applicable

Reasonable Worst Case Spill volume: Not Applicable

Attach additional spread sheet if necessary

2. PIPELINE(S) (To be completed by pipeline owners or operators as well as owners or operators of offshore platforms and marine terminals.)

- a. Pipeline number or designation

Description/location: 24" CA-324 - Las Flores Pipeline (Las Flores Canyon to Gaviota)

Reasonable Worst Case Spill volume: 1 Bbl

Attach more forms as necessary

See attached map, 2.83 Mile segment
between LFC Station and Refugio Creek

Attach additional spread sheet if necessary

3. SMALL MARINE FUELING FACILITY(S) (For mobile transfer units, use the "Application for Certificate of Financial Responsibility for Mobile Transfer Units", DFW 1946 (6/14)). For each small marine fueling facility indicate:

a. Type of vessels served (e.g., recreational/commercial/combination).

Not Applicable

b. During the past twelve-month period, approximately what percent of the craft serviced by this facility were greater than 20 meters in length?

Ap p l i a b l e %
Not

c. Types of oil products handled.

ot e
N Applicable

d. Annual throughput volume of over-the-water transfers (in gallons).

Not Applicable

e. Indicate the capacity in each storage tank at the facility.

Description/location: ble
Not Applicable

Reasonable Worst Case Spill volume:

Not Applicable

Attach additional spread sheet if necessary

4. OFFSHORE FACILITY (If the offshore facility is located in California marine waters, complete this section and Section C (2) of this application. If the offshore facility is in Federal waters and has a pipeline coming into California waters, complete Section C (2)).

a. For each offshore facility indicate type of facility (e.g., production platform, drilling unit, satellite well, production pier, artificial island, etc.):

Not Applicable

b. Is the owner or operator of the facility currently authorized to engage in drilling operations under a permit issued by the California State Lands Commission or Division of Oil and Gas and Geothermal?

Yes

☐

No

☐

If yes, Issue date:

Not Applicable

Expiration date:

c. If a production facility, provide maximum daily production rate, in barrels, of gross production and net oil

Gross production:

Oil:

d. Rate of transfer, in barrels per hour, into pipeline(s) connected to facilities located on-shore.

Gross production:

Not Applicable

Net

Net Oil:

e. Emergency reaction time (in minutes) - Amount of time required discovering a release of oil and complete emergency shut-off of operations to stop discharge of oil into marine waters. (Indicate both automatic and manual emergency shut-down times.):

Discovery time:

Auto shut-off time:

Manual shut-off time:

f. Type(s) and quantity of oil and petroleum products stored on the facility:

Type:

Quantity:

Not Applicable

g. Enter the number of oil wells as follows:

Total number of oil wells:

Number of free-flowing oil wells:

Not Applicable

Total number of oil wells currently in production:

h. For each offshore facility, provide the following information that is reflected in the contingency plan for the facility (Reference Title 14, California Code of Regulations, Section 817.02(d) (1)-(3):

Reasonable Worst Case Spill volume:

Not Applicable

OTHER TYPE OF MARINE FACILITY on should be used to describe facilities such as production facilities, dehydration facilities, and other types of facilities located on or in California marine waters or which are located where a release of oil.

a. Type of facility:

Not Applicable

b. If a production facility, provide the following information:

1. Daily production (barrels)

Gas production:

Not Applicable

Net oil:

Not Applicable

2. Number of wells producing oil:

Not Applicable

3. Number of free-flowing oil wells:

Not Applicable

d. For each facility, provide the following information that is reflected in the contingency plan for the facility (Reference Title 14, California Code of Regulations, Section 817.02(d)(1)-(3)).

SECTION D. DECLARATION
(Must be completed by all applicants)

Signature	
Vice President	Title or Official Capacity

DFW 1924 Marine Facilities Page 6

INSTRUCTIONS

1. Owner or operator means, in the case of a marine facility, any person who owns, has ownership interest in, or operates the marine facility.

2. Submit completed app by se one of the fol methods:

U.S. Mail:

Department of Fish and Wildlife
Office of Spill Prevention and Response
P.O. Box 944209
Sacramento, CA 92444-2090

Fax: (916) 371-8941

Courier Service:

Department of Fish and Wildlife
Office of Spill Prevention and Response
1010 Riverside Parkway
West Sacramento, CA 95605

Email: cacofr-facilities@wildlife.ca.gov

WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via email will be returned undeliverable.

3. Application Process: Applications will be reviewed within 21 calendar days of receipt provided that adequate information was furnished in the application and acceptable evidence of financial responsibility has been received. OSPR verifies the amount of financial responsibility provided per the formulas located in regulation

To calculate financial responsibility, see Section 791.7 (e) (2) A-F at http://www.dfg.ca.gov/ospr/Law/index_ospr_regs.aspx

NOTE: Use of self insurance requires submission of audited financial statements annually.

4. Renewal Process: COFRs for marine facilities are good for two (2) years. COFRS for mobile transfer units are good for one (1) year. Applications will be reviewed within 21 calendar days of receipt provided that adequate information was furnished in the application and acceptable evidence of financial responsibility has been received

relating o

5. Specific instructions to the applicati n process.
Section A - General Information: MUST BE completed by all applications.

Section B - Description of Facility: Description of the Facility: must be completed by all applicants. (If application applies to more than one facility, for each facility list the specific information required in Section C on separate sheets.)

Section C - Specific Description of the Facility or Facilities:

1. **Marine Terminal:** Must be completed by the owner or operator of those marine terminal(s) for which the applicant intends to obtain certificate(s) of financial responsibility. A marine terminal includes the pipeline(s) located in marine waters. The pipeline(s) are not considered a separate facility where the applicant is the

owner or operator of both the terminal and the pipeline(s).

2. **Pipeline:** Must be completed by the owner or operator of those pipeline(s) and offshore platforms for which the applicant intends to obtain certificate(s) of financial responsibility. For the purpose of this application, the pipeline(s) that is (are) used to transfer oil from an offshore platform(s) located outside California marine waters to an on-shore facility(s) is (are) considered to be a separate facility(s).
3. **Small Marine Fueling Facility:** Must be completed by the owner or operator of the small marine fueling facility(s) unless the facility is a "small craft refueling dock". Certificates of Financial Responsibility are not required for "small craft refueling docks". However, each "small craft refueling dock" must be registered with the Department of Fish and Game's Office of Spill Prevention and Response. A "small craft refueling dock" is a waterside operation that dispenses non-persistent products (e.g., gasoline and diesel fuel) in bulk and/or small amounts of persistent lubrication oil in containers, primarily to small craft and does not have storage capacity exceeding 20,000 gallons in any single storage tank or tank compartment, and has a total useable tank storage capacity not exceeding 75,000 gallons. For these purposes, "small craft" is defined as a waterborne craft, other than a tanker or barge, which is less than 20 meters in length.
4. **Offshore Facilities:** Must be completed by the owner or operator of those offshore platform(s), production piers, artificial island, or any other type of offshore facility located in California marine waters for which the applicant intends to obtain certificate(s) of financial responsibility.
5. **Other Types of Facilities:** Must be completed by owners or operators of other types of facilities that are located on or in California marine waters or are located where a release of oil could impact marine waters.

Section D - Declaration

Section E - Delegation of Authority

Sections A, B, C and D must all be completed by the applicant or delegated authority. Section E, Delegation of Authority, must be executed by the applicant or a principal of the applicant when an application is signed by an agent of the applicant.

6. **Miscellaneous instructions:**
 - a. If a question does not apply, answer "not applicable."
 - b. Incomplete applications will not be processed until OSPR receives additional information needed for processing.
 - c. If additional space is required, supplemental sheets may be attached.

Please contact the Financial Responsibility Unit at (916) 375-6072 if you have any questions.





**APPLICATION FOR CERTIFICATE OF FINANCIAL RESPONSIBILITY
FOR INLAND FACILITIES**

DFW 1932 (NEW 06/21/17) Page 1 of 4



WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via-email will be returned undeliverable.
NOTE: A Contingency Plan is also required, pursuant to Government Code section 8670.29
Please type or print clearly in English when completing this application. Refer to page 4 of application for instructions on completing this form.

SECTION A. APPLICANT INFORMATION

1. Legal name of applicant: Pacific Pipeline Company

Mailing Address: 845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number: (713) 579-6161

Email: Not Applicable

2. Address of principal place of business of applicant if different from above:

845 Texas Ave, Ste 2920, Houston, TX 77002

3. Trade name (if any), dba, or other name generally known to the public:

Las Flores Pipeline (Gaviota to Pentland)

4. Financial contact person:

Contact Name: Todd Griggs

Title: VP Treasury

Mailing Address:

845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number:

Fax Number:

Email:

(832) 563-6952

Not Applicable

TGriggs@sableoffshore.com

5. If applicant is a subsidiary or not wholly owned, provide the following information:

Name of parent corporation or owning entities: Sable Offshore Corp.

Mailing Address: 845 Texas Ave, Ste 2920, Houston, TX 77002

Date and State of incorporation of parent corporation/owning entities:

Date: October 16, 2020

State: Delaware

6. Certificate recipient (who should receive certificates):

Recipient Name: Lance Yearwood

Mailing Address:

845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number:

Fax Number:

Email:

(832) 434-9461

Not Applicable

LYearwood@sableoffshore.com

7. Agent for Service of Process. Agent must provide a California address. (No P.O. Boxes):

Agent Name: CT Corporation System

Mailing Address: 330 North Brand Blvd, Glendale, CA 91203

Phone Number: (844) 878-1800

8. Name and address of lessor if the facility is leased or located on leased land:

Lessor Name: N/A

Lessor Address: N/A



SECTION B. DESCRIPTION OF INLAND FACILITIES

1. Type of facility or facilities (pipeline, production facility, railroad line, or other type of facility). If application applies to more than one type of facility, list the types of facilities to which the application applies:

2. List the name and location of facility or facilities to which the application applies below. Include pipeline number, beginning and terminus of pipelines. Provide beginning and terminus of railroad lines.

3. Please indicate the type risk (Intermittent or Perennial) imposed by each facility listed below by circling the correct risk type.

Las Flores Pipeline System (Gaviota to Pentland)

Facility Name: CA-325A/B - Las Flores Pipeline (Gaviota to Pentland) Risk Type _____ or Intermittent

Facility location and reasonable worst case spill volume: **- Perennial**

30-inch diameter crude oil pipeline extends approximately 113 miles in length from Gaviota
Station in Santa Barbara County, CA to Pentland Station in Kern County, CA

1 Bbl

*RWCS _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS: _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spil

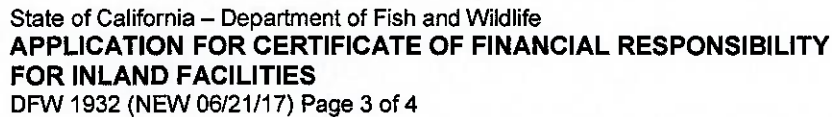
*RWCS: _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS: _____



I, Lance Yearwood (print name) am the applicant, or a principal of the applicant, an authorized agent*, or an official of the applicant, and have the authority to sign this application on behalf of the applicant. I DECLARE under penalty of perjury that I have examined this application, including all accompanying schedules and statements, and to the best of my knowledge, information and belief, find it to be true, correct, and complete. Furthermore, it is agreed that the applicant named in Section A of this application is the responsible party in the event of an oil spill. I execute this declaration in my capacity as applicant, principal of the applicant, official of the applicant, or as the authorized agent as evidenced by the delegation of such authority provided below.

Signature 

*Note: If the Declaration is signed by an authorized agent of the applicant, the applicant or a principal of the applicant must sign the following Section D. Delegation of Authority.

I, Not Applicable (name of the applicant) hereby declare that

Signature _____

Title or Official Capacity



State of California – Department of Fish and Wildlife
**APPLICATION FOR CERTIFICATE OF FINANCIAL RESPONSIBILITY
FOR INLAND FACILITIES**
DFW 1932 (NEW 06/21/17) Page 4 of 4

INSTRUCTIONS

1. Submit completed application by selecting one of the following methods:

U.S. Mail:

Department of Fish and Wildlife
Office of Spill Prevention and Response
P.O. Box 944209
Sacramento, CA 92444-2090

Courier Service:

Department of Fish and Wildlife
Office of Spill Prevention and Response
1010 Riverside Parkway
West Sacramento, CA 95605

Fax: (916) 371-8941

Email: cacofr-facilities@wildlife.ca.gov

WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via email will be returned undeliverable.

2. **Application Process:** Applications will be reviewed within 30 calendar days of receipt provided that adequate information is furnished in the application and acceptable evidence of financial responsibility is received. OSPR verifies the amount of financial responsibility provided per the formulas located in regulation.

To calculate financial responsibility, see Title 14, California Code of Regulations, section 791.7(e)(2)(A-G) at <https://www.wildlife.ca.gov/OSPR/Legal/OSPR-Regulations-Index>

3. **Renewal Process:** COFRs for facilities are valid for two (2) years. Applications will be reviewed within 30 calendar days of receipt provided that adequate information is furnished in the application and acceptable evidence of financial responsibility is received.

NOTE: Use of self-insurance requires submission of audited financial statements annually.

4. Specific instructions relating to the application process:

Section A - Applicant Information: All applications must include an 'Agent for Service of Process', see #7.

Section B - Description of Facility: Include reasonable worst case spill (RWCS) volume, reported in applicant's California oil spill contingency plan, for each facility.

Section C - Declaration

Section D - Delegation of Authority

Miscellaneous instructions:

- a. If a question does not apply, answer "not applicable."
- b. Incomplete applications will not be processed until OSPR receives additional information needed for processing.
- c. If additional space is required, supplemental sheets may be attached.

Please contact the Financial Responsibility Unit at (916) 375-6072 if you have any questions.

Attachment J

Jeremy Frankel

From: CALIFORNIADFW Support <californiadfw@govqa.us>
Sent: Thursday, September 19, 2024 4:55 PM
To: Jeremy Frankel
Subject: Public Records Act Request :: R012679-091924



Dear Jeremy Frankel:

Thank you for your interest in public records of the California Department of Fish and Wildlife, Fish and Game Commission, or Wildlife Conservation Board. Your request has been received and is being processed in accordance with the California Public Records Act, Government Code section 7920.000 et seq. Your request was received in this office on 9/17/2024 and given the reference number R012679-091924 for tracking purposes.

Records Requested: Just following up here: 1. Has Sable submitted a revised ICP for its onshore facilities? 2. Has Sable submitted revised applications for COFRs? 3. What is the status of OSPR's review of Sable's offshore contingency plan? Also, could you please send us a copy of the deficiency letter that OSPR sent to Sable on 8/30? Thanks, as always, for your time and attention to this.

Your request will be forwarded to the relevant regions and/or programs to locate records and to determine the volume and any costs associated with satisfying your request. You will be contacted about the availability of the records in question. PLEASE NOTE: The Public Records Act does not require a governmental body to create new records, to do legal research, or to answer questions.

You can monitor the progress of your request at the link below and you'll receive an email when your request has been completed. Again, thank you for using [CDFW's Records Center](#).

To monitor the progress or update this request please log into the [Public Records Center](#)



1. Has Sable submitted a revised ICP for its onshore facilities?

No, we have not received a revised contingency plan.

2. Has Sable submitted revised applications for COFRs?

Yes, they are in queue to be reviewed in the order they were received.

3. What is the status of OSPR's review of Sable's offshore contingency plan?

Our reviewer has nearly concluded the review and expects to send feedback to Sable by the end of this week.

Attachment K

CALIFORNIA COASTAL COMMISSION

455 MARKET STREET
SAN FRANCISCO, CA 94105-2219
VOICE (415) 904- 5200
FAX (415) 904-5400
TDD (415) 597-5885
WWW.COASTAL.CA.GOV

**VIA CERTIFIED AND ELECTRONIC MAIL**

10/04/2024

Carolyn Bertrand, Deputy General Counsel
Lee Alcock, Assistant General Counsel
Cbertrand@Sableoffshore.com
Lalcock@Sableoffshore.com

Sable Offshore Corporation
12000 Calle Real
Goleta, CA 93117

Subject: Confirmation of Suspension of Current Operations

Dear Ms. Bertrand and Mr. Alcock,

This letter is a follow-up to your video conference with California Coastal Commission ("Commission") staff on October 1, 2024, to memorialize both your discussions regarding unpermitted activities taking place within the Coastal Zone, associated with existing Las Flores Pipelines CA-324/325 (formerly known as Lines 901/903), and your follow-up email message the next day. It also lays the groundwork for an order, just in case that proves to be necessary, by providing formal notice of that possibility, as is explained on page three. As stated in the "Notice of Violation" letter sent to you on September 27, 2024 (the "NOV"), and as discussed in the October 1 video conference, because the prerequisite Coastal Act authorization was not granted, the activities you've been discussing with my staff (which include, but are not limited to, the placement of solid material, excavation/grading/earth movement work, and the alteration of the size of a structure, all of which qualify as "development" under the Coastal Act) constitute violations of the Coastal Act and Santa Barbara County's Local Coastal Program ("LCP").

I appreciate your willingness to meet with my staff to discuss the issues detailed in the NOV and steps forward, and your stated commitment to working collaboratively and maintaining open dialogue with the Commission. I also thank you for the email message you sent to Commission staff on October 2, 2024, responding to the request made in the NOV and during the October 1 meeting that development immediately cease. This letter confirms that my staff received that email message, providing your assurances that development along Pipelines CA-324 and CA 325 has ceased.

However, Commission staff subsequently received a report that Sable Offshore Corp. ("Sable") has restarted development along the pipelines, which would be unfortunate

and would materially alter our discussions regarding next steps. I am therefore requesting your assurances that this is not the case and ask that you confirm this by email or telephone **by 2:00pm today (October 4, 2024).**

I recognize that in your October 2, 2024 email to Commission staff, you stated that Sable will be taking “interim measures necessary to stabilize the sites....” Commission staff acknowledged in the NOV that some measures may be necessary to address the site conditions and prevent harms to coastal resources, wildlife, and/or the public, and requested, during your discussion with Commission staff on both October 1, 2024, and October 3, 2024, that you coordinate with Wes Horn of the Commission’s Energy Division on any such measures, including regarding what actions are to be taken, where they will be taken, and the timing of such measures. I appreciate that you began collaboration during an October 1 in a meeting with Mr. Horn and others, but my understanding is that in that meeting, Mr. Horn emphasized the need for additional information before you commence any site stabilization measures. Commission staff remain available to answer questions you may have, and I hope that we can continue to coordinate in advance of any such work to avoid any misunderstandings or inadvertent additional violations.

In addition, I would like to reiterate the request in the NOV and in subsequent conversations with Commission staff that you confirm that the unpermitted development activities have fully ceased, and that any further measures are conducted safely, effectively, and in a manner that prevents further resource damage. Specifically, I ask that you provide clarification as to: 1) what specific activities constitute “interim measures”; 2) the specific development along the pipeline that was undertaken prior to your cessation of activities; 3) identification of the location of each of these activities; 4) identification of which activities have ceased; 5) identification of proposed steps to be taken to secure the sites; 6) a timeline as to when such “interim measures,” assuming we approve them, will be initiated and fully completed; and 7) any available full-size project plans, including site plan(s) and other applicable plans. If possible, please provide photos of each category so we can more easily understand the current site conditions and work performed, and coordinate steps to resolve the current situation. Please send this information directly to Wesley Horn at Welsey.Horn@coastal.ca.gov, with a copy to Stephanie Cook at Stephanie.Cook@coastal.ca.gov, **no later than 5:00 pm on October 7, 2024.**

Additionally, I reiterate that generally any development that has been undertaken along Pipelines CA-324 and CA-325, within the Coastal Zone, requires a coastal development permit (“CDP”). As Commission staff communicated to you on October 1, any current or future development along Pipelines CA-324 or CA-325 requires authorization by the regulating authority under the Coastal Act. If you intend to continue to undertake development activities along the pipelines, including “interim measures”, we recommend that you submit CDP applications for that work as soon as possible. We also ask that you provide Commission staff with written confirmation of your commitment to apply for a CDP from Santa Barbara County (or the Commission, for any work in the

Commission's jurisdiction) seeking after the fact ("ATF") authorization for work that has already occurred.

As indicated in the NOV, the Commission has several administrative and judicial remedies available to it to respond to unpermitted development, including the ability to issue administrative orders (both cease-and-desist orders and restoration orders), and violations of either the Coastal Act or those orders can result in significant administrative and judicial fines.

Finally, in order to ensure that we are in a position to be able to act quickly in case there is any misunderstanding, this letter also serves as a notice of the Executive Director's intent to issue an Executive Director Cease and Desist Order ("EDCDO") if you fail to provide, in a satisfactory manner, the information and assurances requested above regarding both clarification of operations and commitment to apply for required CDPs. Your willingness to cooperate with the Commission and prompt email regarding suspension of operations would provide assurances that we would not need to issue such an order, and I hope we can continue working with you collaboratively. However, please also be aware that if you fail to comply with the NOV or, if unpermitted development along the pipelines recommences without Coastal Act authorization, you will be in direct violation of the Coastal Act, and I may issue an EDCDO directing you to take cease work immediately and correct the all violations. Such violations may subject Sable to additional fines, and/or action by the Commission itself.

Again, I appreciate your attention and coordination with us in this matter. Please respond to this letter to provide written assurances regarding the cessation of unpermitted development activities **no later than 2:00pm today (October 4, 2024) and follow up with the aforementioned written clarifying information no later than 5:00 pm October 7, 2024.**

If you have any questions regarding enforcement actions detailed in this letter, please direct them to Stephanie Cook at (415) 904-5273 or Stephanie.Cook@Coastal.ca.gov. Additionally, you may send any inquiries or requisite information to:

California Coastal Commission
Attn: Stephanie Cook
455 Market Street, Suite 300
San Francisco, CA 94105

Sincerely,

A handwritten signature in blue ink, appearing to read "Kate Huckelbridge".

Kate Huckelbridge
Executive Director

cc: Cassidy Teufel, CCC, Deputy Director
Lisa Haage, CCC, Chief of Enforcement
Sarah Esmaili, CCC, Senior Attorney
Aaron McLendon, CCC, Deputy Chief of Enforcement
Stephanie Cook, CCC Enforcement Attorney
Alex Helperin, CCC, Assistant Chief Counsel
Wesley Horn, CCC, Environmental Scientist

Attachment B

Planning Commission Action Letter_2024.10.30



Planning and Development

Lisa Plowman, Director

Jeff Wilson, Assistant Director

Elise Dale, Assistant Director

November 4, 2024

Steve Rusch
VP, Regulatory & Environmental Affairs
Sable, Offshore Corporation
845 Texas Ave., Ste. 2920
Houston, TX 77002

PLANNING COMMISSION
HEARING OF OCTOBER 30, 2024

RE: *Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO, Gas Plant, and Las Flores Pipeline System Final Development Plan Permits*

Hearing on the request of Sable Offshore Corporation (Sable) to consider the approval of a change of Owner, Operator, and Guarantor for the following oil and gas facilities per Chapter 25B of the County Code:

- a) Santa Ynez Unit (SYU) Final Development Plan (FDP) Permit No. 87-DP-32cz (RV06) from ExxonMobil Corporation to Sable (Owner, Operator, and Guarantor);
- b) Pacific Offshore Pipeline Company (POPCO) Gas Plant FDP Permit No. 93-FDP-015 (AM03) from ExxonMobil Corporation to Sable (Operator and Guarantor); and
- c) Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz) from ExxonMobil Pipeline Company (EMPCo) to Sable (Operator), and ExxonMobil Corporation to Sable (Guarantor).

The applications for a Change of Owner, Operator, and Guarantor involve oil and gas facilities located in Las Flores Canyon along the Gaviota Coast within Assessor Parcel Numbers (APNs) 081-220-002, 081-220-014, 081-230-019, 081-230-025, and a linear pipeline system crossing various APNs spanning from Santa Barbara County to Kern County within Santa Barbara County's First, Third, and Fourth Supervisorial Districts.

Dear Mr. Rusch:

At the Planning Commission hearing of October 30, 2024, Commissioner Reed moved, seconded by Commissioner Bridley and carried by a vote of 3 to 1 (Parke no; Cooney absent) to:

1. Make the required findings for approval of the Change of Owner, Change of Operator, and Change of Guarantor as specified in Attachment A to the staff report dated October 22, 2024, including CEQA findings;
2. Determine the requests are not a project pursuant to CEQA Guidelines Section 15378(b)(5), as included in Attachment C to the staff report dated October 22, 2024; and

123 E. Anapamu Street, Santa Barbara, CA 93101 • (805) 568-2000 • Fax (805) 568-2030

624 W. Foster Road, Santa Maria, CA 93455 • (805) 934-6250 • Fax (805) 934-6258

www.countyofsb.org; Follow us @CountyofSB



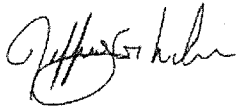
3. Approve the Change of Owner, Operator, and Guarantor for the respective SYU, POPCO Gas Plant, and Las Flores Pipeline System FDP Permits, subject to the conditions included as Attachments B-1 through B-3 of the staff report dated October 22, 2024.

The attached findings and conditions reflect the Planning Commission's actions of October 30, 2024.

The action of the Planning Commission may be appealed to the Board of Supervisors by the applicant or any aggrieved person adversely affected by such decision. To qualify as an aggrieved persons the appellant, in person or through a representative, must have informed the Planning Commission by appropriate means prior to the decision on this project of the nature of their concerns, or, for good cause, was unable to do so.

Appeal applications may be obtained at the Clerk of the Board's office. The appeal form must be filed along with any attachments to the Clerk of the Board. In addition to the appeal form a concise summary of fifty words or less, stating the reasons for the appeal, must be submitted with the appeal. The summary statement will be used for public noticing of your appeal before the Board of Supervisors. The appeal, which shall be in writing together with the accompanying applicable fee must be filed with the Clerk of the Board of Supervisors within the 10 calendar days following the date of the Planning Commission's decision. In the event that the last day for filing an appeal falls on a non-business of the County, the appeal may be timely filed on the next business day. This letter or a copy should be taken to the Clerk of the Board of Supervisors in order to determine that the appeal is filed within the allowed appeal period. **The appeal period for this project ends on Monday, November 11, 2024 at 5:00 p.m.**

Sincerely,



Jeff Wilson
Secretary to the Planning Commission

cc: Case File: Jacquelyn Ybarra, Planner
Applicant: Patrice Surmeier, Sable Offshore Corporation, 12000 Calle Real, Goleta, CA 93117
Fire Department
Das Williams, First District Supervisor
Joan Hartmann, Third District Supervisor
Bob Nelson, Fourth District Supervisor

Attachments:

- Attachment A – Findings**
- Attachment B – Conditions of Approval**
 - B-1 SYU FDP Permit No. 87-DP-32cz (RV06)**
 - B-2 POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03)**
 - B-3 Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP- 60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)**

ATTACHMENT A: FINDINGS OF APPROVAL

1.0 CEQA FINDINGS

1.1 CEQA EXEMPTION

The Planning Commission finds that the Change of Owner, Operator, and/or Guarantor for the Santa Ynez Unit (SYU), Pacific Offshore Pipeline Company (POPCO) Gas Plant, and Las Flores Pipeline System Final Development Plan (FDP) Permits are not subject to the requirements of the California Environmental Quality Act (CEQA), as they do not constitute a “project”, as defined by CEQA Guidelines Section 15378(b)(5). Please see Attachment C, Notice of Exemption.

2.0 ADMINISTRATIVE FINDINGS

The Staff Report dated October 22, 2024 for the Change of Owner, Change of Guarantor, and Change of Operator for the SYU FDP Permit No. 87-DP-32cz (RV06), the Change of Guarantor and Change of Operator for the POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03), and the Change of Guarantor and Change of Operator for the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01) (88-DPF-25cz; 85-DP-66cz; 83-DP-25cz) is incorporated by reference herein.

2.1 CHANGE OF OWNER, OPERATOR, AND GUARANTOR FOR THE SYU FDP PERMIT NO. 87-DP-32cz (RV06)

2.1.1 Findings required for Change of Owner

In compliance with Section 25B-9(a) of the County Code, prior to the approval of an application for a change of owner, the director shall make the following findings:

(1) Fees and Exactions. All outstanding county required fees and exactions due for the facility have been paid.

The requirements of this finding are satisfied. Planning and Development has verified with Accounting staff that no outstanding payments are due for the facility, or related planning and compliance cases.

(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new owner(s) and will remain in full effect following the ownership change.

The requirements of this finding are satisfied. Previously required bonds and endowments under the FDP Permit have been satisfied and none remain outstanding. The FDP Permit Condition No. XXX-1 requires the permittee to be responsible for the proper abandonment of the facility, and that a performance bond be in place, or that the permittee continue to pay property taxes until abandonment is complete. As no bond is in place, the permittee will continue to pay property taxes until site restoration is complete.

(3) Acceptance of Permit. The proposed owner has provided a letter from a responsible official representing the proposed owner formally accepting all, conditions and requirements of the permit.

The requirements of this finding are satisfied. Sable provided a signed Agreement to Comply with Conditions of Approval dated March 14, 2024 accepting all conditions and requirements of the permit. The Agreement was recorded by the County Clerk-Recorder's office on September 13, 2024 as an official record. The Agreement is provided in Attachment D of the Planning Commission Staff Report dated October 22, 2024, and is included herein by reference.

(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the new or proposed new owner(s). A safety inspection maintenance and quality assurance program (SIMQAP) audit approved by the appropriate county official shall satisfy this requirement.

The requirements of this finding are satisfied. The most recent County-conducted safety audit of the Las Flores Canyon Facilities (SYU and POPCO Gas Plant) was conducted on July 16 -17, 2014 by the County's Systems Safety & Reliability Review Committee (SSRRC). The 2014 audit observed 62 items that needed to be addressed from minor housekeeping items, to items that would cause a low potential for serious personal injury, negative environmental impact, property damage, or hazardous material release. All items were addressed by September 11, 2015, except for minor repairs required on an evaporative cooler and a crude oil emulsion heater. Following the 2014 SIMQAP audit, the Las Flores Canyon Facilities were placed into a preserved state due to the 2015 Plains pipeline oil spill, which is the only permitted transportation method to transport crude oil from the SYU. On July 9, 2015, the SSRRC approved the deferral of annual SIMQAP audits until the Las Flores Canyon Facilities resume production. Sable has a copy of the 2014 audit and its recommendations, and continues to provide maintenance reports on the Las Flores Canyon Facilities to the SSRRC monthly.

(5) Compliance With Existing Requirements. As of the date that the application is deemed complete, the current owner(s) are in compliance with all requirements of the permit, including any requirement of a county-required safety audit, any notice of violation, and any county ordinance, or the current and proposed owner(s) have entered into a written agreement with the Director that specifies an enforceable schedule to come into compliance with such requirements.

The requirements of this finding are satisfied. The permittee is in compliance with all requirements of the FDP Permit. No notice of violations have been issued for the facility.

2.1.2 Findings required for Change of Guarantor

In compliance with Section 25B-9(e) of the County Code, prior to the approval of an application for a change of guarantor, the director shall make the following findings:

(1) Financial Guarantees. The proposed guarantor has provided all necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance.

Sable is the Guarantor for the Las Flores Canyon Facilities. The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (2).

2.1.3 Findings required for Change of Operator

In compliance with Section 25B-10 of the County Code, the planning commission shall approve an application for change of operator only if the planning commission makes the following findings.

(1) Fees and Exactions. All outstanding county required fees and exactions due for the facility have been paid.

Sable is the Operator of the Las Flores Canyon Facilities. The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (1).

(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new operator and will remain in full effect following the operator change.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (2).

(3) Acceptance of Permit. The proposed operator has provided a letter from a responsible official representing the proposed operator formally accepting all conditions and requirements of the permit.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (3).

(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the proposed new operator. A safety inspection maintenance and quality assurance plan audit approved by the appropriate county official shall satisfy this requirement.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (4).

(5) Compliance with Existing Requirements. As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation, and any county ordinance, or the owner and proposed operator have entered into a written agreement with the director that specifies an enforceable schedule to come into compliance with such requirements.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (5).

(6) Compliance Plans. The current owner and proposed operator have updated, where applicable, any existing, approved safety inspection maintenance and quality assurance program, emergency response plan, fire protection plan, and oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator. The current owner and proposed operator have agreed in writing to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.

The requirements of this finding are satisfied. County staff confirmed that all relevant compliance plans have been updated with the current emergency contact information

pertaining to Sable. Compliance Plans are included as Attachment F to the Planning Commission Staff Report dated October 22, 2024 and are incorporated by reference herein.

(7) Transitional Plan. The current owner or operator and proposed operator have submitted a transitional plan that will demonstrate the proposed operator shall receive adequate training, including by means of cross training by the current operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f before assuming control of operations. The plan has been approved by the director. The planning commission may exempt the current owner and proposed operator from this requirement, or portions thereof, for good cause.

The requirements of this finding are satisfied. Sable submitted a comprehensive Transition Plan describing the general strategy taken for the transition from ExxonMobil Corporation to Sable, a description of the facilities and general operating procedures, details on the staffing and support employees, and asset-specific training and general training conducted. The Transition Plan is included as Attachment E-1 to the Planning Commission Staff Report dated October 22, 2024 and is incorporated by reference herein.

(8) Emergency Response Plan Drills. The proposed operator has adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.

The requirements of this finding are satisfied. Sable submitted an updated Emergency Response Plan and staffing details for their Incident Management Team who run the response drills. Sable held a comprehensive emergency response drill on September 19, 2024 in coordination with the County Fire Department's Office of Emergency Services and other regulatory agencies. Planning and Development confirmed with the County Fire Department in attendance that the emergency response drill was completed in accordance with County requirements, and that no outstanding issues were identified.

(9) Operator Capability. The proposed operator has the skills and training necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f. The director shall require relevant records of compliance, and corrective actions taken subsequent to any major incidents for facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant

or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.

The requirements of this finding are satisfied. Sable was formed in October 2020 as an independent oil and gas company headquartered in Houston Texas as a special purpose acquisition company. Sable's Executive Management Team have managed oil and gas exploration and production businesses in the Pacific Ocean, the Gulf of Mexico, and onshore California for more than 30 years. Specific to Santa Barbara County, the Executive Management Team has successfully operated Platform Irene and the associated Lompoc Oil & Gas Plant and Point Pedernales Pipelines, and Platforms Harvest, Hidalgo, Hermosa and the associated Gaviota Oil & Gas Plant and Point Arguello Pipelines under former management of Plains Exploration and Production Company (PXP) and Freeport-McMoRan, Inc (FMOG). Sable's Upper Management Team have carried over from similar leadership roles at PXP and FMOG, with an average of 31 years of experience operating oil and gas facilities within the County. Sable's Onsite Middle Management Team have all transferred over from similar roles at the Las Flores Canyon Facilities under Exxon, with an average of 21 years of experience working at the facilities. Approximately 64 percent of the onsite facility employees have also transferred over in their same or similar capacity from Exxon. All employees and management have been trained on the facility-specific Compliance Plans. Sable has had zero major incidents involving crude oil and gas facilities within the U.S. while managing Sable Permian Resources from 2017 – 2021, FMOG from 2013 – 2017, and PXP from 2009 – 2013.

2.2 CHANGE OF OPERATOR AND GUARANTOR FOR THE POPCO GAS PLANT FDP PERMIT NO. 93-FDP-015 (AM03)

2.2.1 Findings required for Change of Guarantor

In compliance with Section 25B-9(e) of the County Code, prior to the approval of an application for a change of guarantor, the director shall make the following findings:

(1) Financial Guarantees. The proposed guarantor has provided all necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance.

The requirements of this finding are satisfied. No bonds are in place for the POPCO Gas Plant. FDP Permit Condition Q-2 requires the permittee to be responsible for the proper abandonment of the facility, and that a performance bond or other security device be in place immediately following the permanent shutdown of the facility. A performance bond, or other security device shall be posted by POPCO following permanent shut

down of the facilities in accordance with an approved abandonment and restoration plan in effect at that time.

2.2.2 Findings required for Change of Operator

In compliance with Section 25B-10 of the County Code, the planning commission shall approve an application for change of operator only if the planning commission makes the following findings.

(1) Fees and Exactions. All outstanding county required fees and exactions due for the facility have been paid.

The requirements of this finding are satisfied. Planning and Development has verified with Accounting staff that no outstanding payments are due for the facility, or related planning and compliance cases.

(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new operator and will remain in full effect following the operator change.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Guarantor in Finding 2.2.1 (1).

(3) Acceptance of Permit. The proposed operator has provided a letter from a responsible official representing the proposed operator formally accepting all conditions and requirements of the permit.

The requirements of this finding are satisfied. Sable provided a signed Agreement to Comply with Conditions of Approval dated March 14, 2024 accepting all conditions and requirements of the permit. The Agreement was recorded by the County Clerk-Recorder's office on September 13, 2024 as an official record. The Agreement is provided in Attachment D of the Planning Commission Staff Report dated October 22, 2024, and is included herein by reference.

(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the proposed new operator. A safety inspection maintenance and quality assurance plan audit approved by the appropriate county official shall satisfy this requirement.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Owner in Finding 2.1.1 (4). The POPCO Gas Plant is subject to County SSRRC audits through its approved SIMQAP. The SIMQAP covers the SYU and the POPCO Gas Plant.

(5) Compliance with Existing Requirements. As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation, and any county ordinance, or the owner and proposed operator have entered into a written agreement with the director that specifies an enforceable schedule to come into compliance with such requirements.

The requirements of this finding are satisfied. The current operator is in compliance with all requirements of the FDP Permit. No notice of violations have been issued for the facility.

(6) Compliance Plans. The current owner and proposed operator have updated, where applicable, any existing, approved safety inspection maintenance and quality assurance program, emergency response plan, fire protection plan, and oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator. The current owner and proposed operator have agreed in writing to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Operator in Finding 2.1.3 (6). All POPCO Compliance Plans are integrated with the SYU Compliance Plans.

(7) Transitional Plan. The current owner or operator and proposed operator have submitted a transitional plan that will demonstrate the proposed operator shall receive adequate training, including by means of cross training by the current operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f before assuming control of operations. The plan has been approved by the director. The planning commission may exempt the current owner and proposed operator from this requirement, or portions thereof, for good cause.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Operator in Finding 2.1.3 (7). The Transition Plan for the SYU also incorporates the POPCO Gas Plant.

(8) Emergency Response Plan Drills. The proposed operator has adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Operator in Finding 2.1.3 (8). The Emergency Response Plan drill for the POPCO Gas Plant is incorporated into the emergency drill for the SYU.

(9) Operator Capability. The proposed operator has the skills and training necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f. The director shall require relevant records of compliance, and corrective actions taken subsequent to any major incidents for facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Operator in Finding 2.1.3 (9). Operator capabilities for the POPCO Gas Plant are the same as for the SYU.

2.3 CHANGE OF OPERATOR AND GUARANTOR FOR THE LAS FLORES PIPELINE SYSTEM FDP PERMIT NO. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)

2.3.1 Findings required for Change of Guarantor

In compliance with Section 25B-9(e) of the County Code, prior to the approval of an application for a change of guarantor, the director shall make the following findings:

(1) Financial Guarantees. The proposed guarantor has provided all necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance.

The requirements of this finding are satisfied. Previously required bonds and endowments under the FDP Permit have been satisfied and none remain outstanding. The FDP Permit does not require the permittee to carry insurance or other financial responsibility (e.g. surety bond) to cover oil spills or other damages, or for the final abandonment of the pipelines. After final abandonment, the permittee will continue to

pay property taxes until site restoration is complete in accordance with FDP Permit Condition O-1.

2.3.2 Findings required for Change of Operator

In compliance with Section 25B-10 of the County Code, the planning commission shall approve an application for change of operator only if the planning commission makes the following findings.

(1) Fees and Exactions. All outstanding county required fees and exactions due for the facility have been paid.

The requirements of this finding are satisfied. Planning and Development has verified with Accounting staff that no outstanding payments are due for the pipeline system, or related planning and compliance cases.

(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new operator and will remain in full effect following the operator change.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Guarantor in Finding 2.3.1 (1).

(3) Acceptance of Permit. The proposed operator has provided a letter from a responsible official representing the proposed operator formally accepting all conditions and requirements of the permit.

The requirements of this finding are satisfied. Sable provided a signed Agreement to Comply with Conditions of Approval dated March 14, 2024 accepting all conditions and requirements of the permit. The Agreement was recorded by the County Clerk-Recorder's office on September 13, 2024 as an official record. The Agreement is provided in Attachment D of the Planning Commission Staff Report dated October 22, 2024, and is included herein by reference.

(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the proposed new operator. A safety inspection maintenance and quality assurance plan audit approved by the appropriate county official shall satisfy this requirement.

The requirements of this finding are satisfied. The 1988 settlement agreement between the County and Celeron Pipeline Company/Getty Trading and Transportation Company determined that the County does not have the jurisdiction to regulate any aspect of the design, construction, or operation of the pipeline which was already covered under 49 C.F.R. Part 195 (*Transportation of Hazardous Liquids by Pipeline*). The settlement agreement determined that this authority rests exclusively with PHMSA and now, the CAL FIRE Office of the State Fire Marshal (OSFM). Title 49 §§ 195.450 and §§ 195.452 require that pipeline operators implement both internal (operator-conducted) and external (agency-conducted) audits. As PHMSA and now OSFM conduct audits of the pipeline system, it is not subject to County-conducted safety audits. Consequently, there is no County-conducted audit available. PPC has satisfied the County's requirement to provide audit information to Sable. A summary of PHMSA and OSFM safety audits from 2018 – 2023 are presented in section 6.2.3, Table 3.1 of the Planning Commission Staff Report dated October 22, 2024, included by reference herein.

(5) Compliance with Existing Requirements. As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation, and any county ordinance, or the owner and proposed operator have entered into a written agreement with the director that specifies an enforceable schedule to come into compliance with such requirements.

The requirements of this finding are satisfied. The current operator is in compliance with all requirements of the FDP Permit. No notice of violations have been issued for the pipeline system.

(6) Compliance Plans. The current owner and proposed operator have updated, where applicable, any existing, approved safety inspection maintenance and quality assurance program, emergency response plan, fire protection plan, and oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator. The current owner and proposed operator have agreed in writing to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.

The requirements of this finding are satisfied. County staff confirmed that all relevant compliance plans have been updated with the current emergency contact information pertaining to PPC and Sable. Compliance Plans are included as Attachment F to the Planning Commission Staff Report dated October 1, 2024 and are incorporated by reference herein.

(7) Transitional Plan. The current owner or operator and proposed operator have submitted a transitional plan that will demonstrate the proposed operator shall receive adequate training, including by means of cross training by the current operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f before assuming control of operations. The plan has been approved by the director. The planning commission may exempt the current owner and proposed operator from this requirement, or portions thereof, for good cause.

The requirements of this finding are satisfied. Sable submitted a comprehensive Transition Plan describing the background of the pipeline system, the general approach to the transition (PPC remains the legal owner of the pipeline with Sable as operator), details on staffing, and asset-specific training and general training conducted. The Transitional Plan is included as Attachment E-2 to the Planning Commission Staff Report dated October 22, 2024 and is incorporated by reference herein.

(8) Emergency Response Plan Drills. The proposed operator has adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.

The requirements of this finding are satisfied. PPC and Sable submitted an updated Incident Contingency Plan (ICP) as part of their application materials. The ICP combines the previously separate Emergency Response, Fire Protection, and Oil Spill Contingency Plans. Sable held a comprehensive ICP training exercise and emergency response drill on July 25, 2024. P&D confirmed with OEM Captain, Mr. Tim Gailey, that the 2024 emergency response drill was completed in accordance with County requirements, and that no outstanding issues were identified.

(9) Operator Capability. The proposed operator has the skills and training necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f. The director shall require relevant records of compliance, and corrective actions taken subsequent to any major incidents for facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.

The requirements of this finding are satisfied. Sable was formed in October 2020 as an independent oil and gas company headquartered in Houston Texas as a special purpose acquisition company. Sable's Executive Management Team have managed oil and gas

exploration and production businesses in the Pacific Ocean, the Gulf of Mexico, and onshore California for more than 30 years. Specific to Santa Barbara County, the Executive Management Team has successfully operated Platform Irene and the associated Lompoc Oil & Gas Plant and Point Pedernales Pipelines, and Platforms Harvest, Hidalgo, Hermosa and the associated Gaviota Oil & Gas Plant and Point Arguello Pipelines under former management of PXP and FMOG. The Las Flores Pipeline System has five full-time employees in addition to contracted personnel and specialists who have extensive experience with both onshore and offshore pipelines. The combined years of experience of the pipeline operating team is 23 years, with many years of experience directly operating in Santa Barbara County. All management staff and employees have been trained on the facility-specific Compliance Plans. Sable has had zero major incidents involving crude oil and gas pipelines within the U.S. while managing Sable Permian Resources from 2017 – 2021, FMOG from 2013 – 2017, and PXP from 2009 – 2013.

CONDITIONS OF APPROVAL

~~ExxonMobil~~ Santa Ynez Unit Expansion Project 87-DP-32cz

(Modified on July 25, 2001 with 87-DP-032cz (RV05) Synergy Project)
(Modified on February 19, 2003 with 87-DP-032cz (RV06) Offshore Power Cable Repair &
Enhancement Project)
(Modified on October 30, 2024 with the Change of Owner, Operator, and Guarantor to Sable
Offshore Corp)

These conditions of approval have been revised to list the new owner, guarantor, and operator, and remove all previous owners, guarantors, and operators that no longer serve such role. Text that has been added is shown in underline, and text that has been removed is shown in ~~strikeout~~.

ExxonMobil Santa Ynez Unit
Expansion Project
87-DP-32cz

Santa Barbara County
Conditions of Approval
September 15, 1987

(Modified on July 25, 2001; Synergy Project)

(Modified on February 19, 2003; Offshore Power Cable Repair and Enhancement Project)

(Modified on October 30, 2024 with the Change of Owner, Operator, and Guarantor to Sable
Offshore Corp)

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**~~ExxonMobil~~ Santa Ynez Unit
Expansion Project
87-DP-32cz
Santa Barbara County Conditions of Approval
September 15, 1987
(Modified on July 25, 2001, ~~and~~ February 19, 2003, and October 30, 2024)**

I. GENERAL

Owner: Sable Offshore Company (Sable), a Delaware corporation, is the currently listed Owner of the Santa Ynez Unit.

Operator: Sable is the currently listed Operator of the facility.

Guarantor: Sable is the currently listed Guarantor for the facility.

I-1. DELETED

I-2. Grounds for Permit Modification or Revocation

Failure to abide by and faithfully comply with any conditions for the granting of this permit shall constitute grounds for the modification or revocation of this permit.

Approval of the Final Development Plan and any subsequent revisions shall expire five (5) years after approval by the Santa Barbara County Planning Commission, unless prior to the expiration date, substantial physical construction has been completed on the development or ~~ExxonMobil~~ the permittee (or successor) has applied for time extension. The decisionmaker with jurisdiction over the project may, upon good cause shown, grant a time extension for one year.

If ~~ExxonMobil~~ the permittee requests a time extension for this permit/project or revisions to this permit/project, this permit may be revised to include updated language to standard conditions and/or mitigation measures and additional conditions and/or mitigation measures which reflect changed circumstances or additional identified project impacts. Mitigation fees shall be those in effect at the time of approval of a LUP/CDP. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

I-3. Permit Defense and Court Costs

~~ExxonMobil~~ Sable agrees as a condition of the issuance and use of this permit to defend at its sole expense any action brought against the County because of issuance of this permit. ~~ExxonMobil~~ Sable will reimburse the County for any court costs and attorney's fees which the County may be required by a court to pay as a result of such action. County may, at its sole discretion, participate in the defense of any such action, but such participation shall not relieve ~~ExxonMobil~~ Sable of its obligation under this condition. County shall bear its own expenses for its participation in the action.

I-4. Costs of Implementing and Enforcing Conditions

The Director of the Planning and Development Department shall present to the Board of Supervisors a monitoring and enforcement plan which shall set forth the staffing requirements and materials reasonably necessary for such enforcement. ~~ExxonMobil~~ The permittee shall pay a pro-rata share of the costs necessary to allow the County to adequately develop the program, and to implement and enforce the conditions imposed on ~~ExxonMobil~~ the permittee by applicable County ordinances and the conditions of this permit. The timing and nature of the payments will be determined as part of program development.

~~ExxonMobil~~ The permittee shall also post a security agreement in a form approved by County Counsel to secure the obligations created pursuant to this condition and also to secure payment of any amounts adjudged to be due pursuant to any enforcement action. Should legal action be required to enforce any rights under this permit the prevailing party shall be entitled to reasonable attorney's fees and costs pursuant to Civil Code 1717.

I-5. ~~ExxonMobil~~ Reimbursement to County

All reasonable expenses incurred by the County or County contractors for permitting, permit condition implementation, reasonable studies, and emergency response directly and necessarily related to enforcement of these permit conditions shall be reimbursed by ~~ExxonMobil~~ Sable within 30 days of invoicing by County. All such activities may be conducted by an independent consultant under contract to the County, if deemed necessary by County.

For those studies which entail major ongoing efforts by a County-hired consultant, County shall provide for ~~ExxonMobil's~~ Sable's involvement in contractor selection, scope of work definition, and other such areas. The County shall consult with ~~ExxonMobil~~ Sable prior to authorization of major contractor activity which is reimbursable by ~~ExxonMobil~~ Sable.

I-6. Access to Records and Facilities

As to any condition which requires for its effective enforcement the inspection of records or facilities by County or its agents, ~~ExxonMobil-Sable~~ will make such records available or provide access to such facilities upon reasonable notice from County. County agrees to keep such information confidential where permitted by law and requested by ~~ExxonMobil~~ Sable in writing.

I-7. Uses of Permitted Facility

All facilities constructed and operated under this permit shall be used only for the storage of 540 KB oil and the processing of a maximum of 140 KBD oil and 21 MMSCFD gas for the stripping gas treating plant produced from the Santa Ynez Unit. Marine terminal facilities are permitted herein to transport a maximum of 140 KBD quarterly average oil. The use of the

property and the size, shape, arrangement and location of buildings, structures, walkways, parking areas and landscaped areas shall be in substantial conformity with the Santa Ynez Unit Final Development Plan. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

I-8. Memorandum of Agreement (MOA II) Conditions

The agreements made in the Memorandum of Agreement (MOA II) entered into between ExxonMobil and its successors and County on October 8, 1982 are incorporated into this permit as conditions with the same force and effect as other permit conditions contained herein. Both parties acknowledge and agree that as of the date of this permit approval the MOA II is in and remains in full force and effect. If any conditions contained herein are in conflict with provisions of MOA II, the conditions contained in this permit shall prevail.

I-9. Project Description and Modifications

~~ExxonMobil's~~ Revised Preliminary Development Plan (86-DP-51cz) and Final Development Plan (87-DP-32cz) applications, including all subsequent clarifications and additions formally submitted, and all permit condition compliance plans, including all subsequent clarifications and additions formally submitted in compliance with those conditions, are incorporated by reference into this permit as conditions with the same force and effect as other permit conditions contained herein. No permits for development, including grading, shall be issued except in conformance with an approved Final Development Plan. The project shall be developed in conformity with the approved development. Since these procedures were part of the project description which received environmental analysis, a failure to include such procedures in the actual project could result in significant unanticipated environmental impacts. Modification of any procedures, operating techniques, design specifications and other project descriptions contained in these documents will not be permitted without a determination of substantial conformance with the approved preliminary or final development plan or, in lieu of such a determination, a new or modified permit. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)* (Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)

I-10. Authority for Curtailment

In addition to the authority to enforce and secure compliance with the provisions of this permit under Division 11, Article III of Chapter 35 of the Santa Barbara County Code, the County Administrative Officer, or in his/her absence a designated appointee, may order that curtailment of activities which is required to protect the public health and safety. Said action may include, but is not limited to, ordering temporary, partial or total facility shutdown.

Such an order shall be made only in the event that the Administrative Officer has reasonable and probable cause to believe that continued unrestrained activities of permittee will likely result in or threaten to result in danger to public health, welfare, or safety, or the environment

and provided such violations can be expected to continue or recur unless operations are in whole or in part shut down or reduced pending the necessary corrections.

Before issuing any curtailment order, the County Administrative Officer shall set a time for hearing and shall give written notice of the time and place of the hearing and of the alleged violations. Such notice shall be given to the person in charge of the operation of the facility at least 24 hours before the hearing at which time there will be an opportunity for all concerned parties to present evidence regarding the alleged violations. The notice may be served in person or by certified mail.

In the event the Administrative Officer, or in his/her absence, the designated appointee, determines that there is an imminent danger to the public health and safety resulting from violations, he may summarily order the necessary curtailment of activities without prior notice and hearing and such order shall be obeyed upon notice of same, whether written or oral. At the same time that notice of the order is conveyed, the Administrative Officer shall set a date, time and place for a publicly noticed hearing and review of said order as soon as possible which date shall be no later than 48 hours after such order is issued or served. Said hearing shall be conducted in the same manner as a hearing on prior notice. After such hearing, the Administrative Officer may modify, revoke, or retain the emergency curtailment order.

Any order of the Administrative Officer may be appealed to the Board of Supervisors within three working days after such order is made or notice of such order is given, whichever later occurs. Procedures for such appeal shall be those procedures described in Santa Barbara County Zoning Ordinance Article III, Sections 35-327.3.2 through 35-327.4.

If such appeal is not filed with the Board of Supervisors, the Administrative Officer's order becomes final. If there is an appeal, the order of the Administrative Officer shall remain in full force and effect until action is taken by the Board of Supervisors. The decision of the Board of Supervisors shall be final.

Once ~~ExxonMobil~~ Sable has shown that the conditions of violation no longer exist and are not reasonably likely to recur, the Administrative Officer shall modify the curtailment order to account for such compliance and shall entirely dissolve the order when it is shown that all of the violations have been corrected and are not likely to recur.

I-11. Conditions Separately Remain in Force

In the event that any condition contained herein is determined to be invalid, then all remaining conditions shall remain in force.

I-12. Conflicts Between Conditions

In the event that any condition contained herein is determined to be in conflict with any other condition contained herein, then where principles of law do not provide to the contrary, the feasible condition most protective of natural environmental resources and public health and

safety shall prevail. Conflicts which arise prior to approval of the FDP shall be resolved by the Planning Commission. Conflicts which arise prior to construction, or during construction or operations, shall be resolved by the Director of the Planning and Development Department.

I-13. Submittal of As-Built Drawings

Within one year after initial start-up of each project component, ~~ExxonMobil~~ the permittee shall submit as-built drawings of that component to County. ~~ExxonMobil~~ The permittee shall submit as many sets of drawings (up to ten sets) as requested by the Public Works Department. ~~ExxonMobil~~ The permittee shall submit as-built Piping and Instrumentation Diagrams (P&IDs) to the County Planning & Development Department, Building & Safety Division, within 90 days of Synergy Project start-up. (Modified July 25, 2001; 87-DP-032cz(RV05).)

I-14. Owner and Operator Liability

The owner and operator of the facility shall be jointly and severally liable without regard to fault for all legally compensable damages or injuries suffered by any property or person that result from or arise out of any oil, brine or water spillage, fire, explosion, odor, or air pollution, in any way involving petroleum or gas or the impurities contained therein or removed therefrom and which arises out of construction or operation of ~~ExxonMobil's~~ the facilities. This declaration of strict liability and the limitations upon it shall be governed by the applicable laws of California on strict liability. For the purpose of this condition, the "facility" shall be deemed to include all facilities described and approved pursuant to 86-DP-51cz and 85-CP-16cz as amended pursuant to 87-DP-32cz. This condition shall not inure to the benefit of any of the owners or users of the ~~ExxonMobil~~ facility, including the United States Government. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

I-15. Injunctive Relief

The County may seek and obtain temporary, preliminary, and permanent injunctive relief to prohibit violation of the conditions set forth herein or to mandate compliance with the conditions herein.

All remedies and enforcement procedures set forth herein shall be in addition to any other legal or equitable remedies provided by law.

I-16. Failure to Comply

In the event that ~~ExxonMobil~~ Sable fails to comply with any order of the Administrative Officer or the Board of Supervisors issued hereunder or any injunction of the Superior Court, it shall be liable for a civil penalty for each violation.

Said civil penalty shall be in addition to ~~ExxonMobil's~~ Sable's obligation to reimburse the County of Santa Barbara (and others) for actual damages suffered as a result of ~~ExxonMobil's~~ Sable's failure to abide by the conditions of this permit or by the orders of the Administrative Officer, the Board of Supervisors, or any court of competent jurisdiction.

I-17. Permit Violations

Any person, firm or corporation, whether as a principal, agent, employee, or otherwise, violating any provisions or conditions of this ordinance or permits, shall be guilty of an infraction or misdemeanor and upon conviction thereof, shall be punishable as set forth in the applicable County Ordinance.

Each and every day during any portion of which any violation of this Article or the rules, regulations, orders, or permits issued thereunder, is committed, continued, or permitted by such person, firm or corporation shall be deemed a separate and distinct offense.

I-18. Authority to Change Responsible Department

The Santa Barbara County Board of Supervisors shall have the authority to specify or change the Santa Barbara County Department responsible for enforcement and administration of any conditions contained herein.

I-19. Alternative Mitigation if County Cannot Assess Fees

Should circumstances, including legal or legislative action, cause the County to lose its authority or have its authority fundamentally reduced, to assess fees as a method to mitigate project-related impacts, then this permit shall be suspended until other feasible mitigation measures are imposed which will adequately mitigate the significant impacts formerly mitigated by the imposition of fees. However, the County shall not suspend or modify this permit pursuant to this condition so long as ~~ExxonMobil~~ Sable has continued to fulfill its agreements under this permit.

I-20. DELETED

I-21. Written Acceptance of the Final Development Plan

~~ExxonMobil~~ The Permittee shall provide written acceptance of the Final Development Plan permit within 90 days of final County action on this permit. Failure to provide such timely acceptance will allow the County to cancel the permit.

I-22. DELETED

I-23. DELETED "~~ExxonMobil~~" Definition

~~The term "ExxonMobil" shall be understood to apply to ExxonMobil Production Company (a Division of Exxon Mobil Corporation) and any other entity, owner, partner or operator using these permitted facilities unless such a meaning would be inappropriate.~~

I-24. Subsequent Additional Mitigation

The remedies available to the County upon applicant's failure to comply with subsequent additional mitigation required as part of and pursuant to this permit include but are not limited to those remedies which are available to the County upon applicant's failure to comply with a permit condition. In order for such mitigations to be treated with the status of a permit condition, they shall first be considered and approved by the Planning Commission in a noticed public hearing.

II. PERMIT REVIEW

II-1. Construction Review by SSRRC

Prior to construction of a project component (such as site work or individual facility construction), ~~ExxonMobil~~ Sable shall submit to the Director of the Planning and Development Department (P&D) and the System Safety and Reliability Review Committee (SSRRC), as directed by P&D, relevant construction drawings and supporting text demonstrating compliance with relevant conditions. Construction of each component may not commence until County has approved the appropriate submittal and all necessary construction permits are issued. Within 15 days of submittal, the SSRRC will deem the submittal complete or incomplete with a list of deficiencies. Within 15 days of a submittal being deemed complete by the SSRRC, County shall either give written notice to proceed with construction or notify ~~ExxonMobil~~ Sable that the SSRRC review will be completed within a specified period, as warranted by sound engineering practices. *(Modified May 4, 1994; II-2 Review)*

II-2. Condition Effectiveness Review

If at any time County determines that the mitigations imposed by these permit conditions are inadequate to fully mitigate significant environmental impacts identified in the ~~ExxonMobil~~ SYU EIS/R (83-EIR-22) and its supplements, other than air quality impacts, caused by the Santa Ynez Unit project, then additional reasonable and feasible conditions shall be imposed to further mitigate these identified impacts. ~~ExxonMobil~~ Sable agrees that it will comply with such reasonable and feasible conditions, subject to review thereof under all applicable provisions of law. County shall conduct a comprehensive review of the project conditions three years after permit issuance and at appropriate intervals thereafter. Upon written request, the Board of Supervisors shall determine whether any new condition required is reasonable and feasible, considering the economic burdens imposed and environmental benefits to be derived. In no event shall this condition be construed so as to preclude ~~ExxonMobil~~ Sable from vesting rights under this permit as provided under law.

II-3. DELETED

II-4. DELETED

II-5. County Authority to Review and Impose Mitigations From Other Jurisdictions

This permit is premised upon findings that where feasible, all significant environmental effects of the project identified in the ~~ExxonMobil~~ SYU EIS/R (83-EIR-22) and the Getty Gaviota EIR (84-EIR-15) as it applies to the marine terminal portions of this project, including Supplements, will be substantially mitigated by the permit conditions or other findings appropriate under CEQA are made. Prior to approval of the Final Development Plan, County shall review any findings that identified certain mitigation measures as being in the proper jurisdiction of another agency. At that time, County shall determine either: (1) that such mitigation has or is being implemented by such other agency; or, (2) that such other agency and County determine such mitigation to be infeasible. If, prior to Final Development Plan approval, County determines that no other agency is implementing such feasible mitigation measures, then County may impose feasible measures to mitigate those environmental impacts in accordance with the appropriate mitigation measure in the FEIS/R and Supplements. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

II-6. Consolidated Marine Terminal Feasibility Demonstration

Prior to Planning and Development Department final approval of any construction plans associated with the consolidated marine terminal, ~~ExxonMobil~~ the permittee must demonstrate to the Planning Commission either that industry's oil transportation demand for situations set forth in Local Coastal Plan Policy 6-8 and Coastal Zoning Ordinance Section 35-154.5(i) is greater than the capacity of the Gaviota Interim Marine Terminal, or that the impacts associated with the consolidated marine terminal are environmentally preferable to those associated with continued use of the Gaviota Interim Marine Terminal. Upon such reasonable demonstration, the Planning Commission shall not withhold approval of construction plans.

If by July 1, 1988, or later, the permittee ~~ExxonMobil and Celeron/All American Pipeline Company have come to an agreement on a tariff rate and other essential contract terms, and ExxonMobil~~ has, consistent with LCP Policy 6-8 and Coastal Zoning Ordinance Section 35-154.5 (i), committed to using the pipeline pursuant to that agreement for the transportation of SYU crude oil destined for refineries served by that pipeline, the preceding paragraph shall be nullified. Construction of the marine terminal shall not commence prior to July 1, 1988. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

III. MANAGEMENT

III-1. Environmental Quality Assurance Program

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit a written plan approved by the Director of the Planning and Development Department for an Environmental Quality Assurance Program. This initial program shall describe the steps ~~ExxonMobil~~ the permittee will take to assure compliance with these conditions and include provisions for an onsite Environmental Coordinator (and any other necessary personnel) with credentials approved by the Director of the Planning and Development Department during the construction phase, provisions for ensuring contractor knowledge of and compliance with these conditions, and the submission to the Director of the Planning and Development Department of annual reports describing the project status, permit condition compliance, and a summary of results of any data collection efforts being conducted by ~~ExxonMobil~~. The contractor selected to implement the EQAP shall be under contract to the County, and funded by ~~ExxonMobil~~ the permittee. The approved program shall be implemented by ~~ExxonMobil~~ the permittee prior to construction and shall be amended as required and approved by the Director of the Planning and Development Department annually.

III-2. 24-Hour Emergency Contact

Prior to issuance of any Land Use Permits or Coastal Development Permits, ~~ExxonMobil~~ the permittee shall provide to the Director of the Planning and Development Department and the Emergency Services Coordinator the current name and position, title, address, and 24-hour phone numbers of the field agent, person in charge of the facility, and other representatives who shall receive all orders and notices, as well as all communications regarding matters of condition and permit compliance at the site and who shall have authority to implement a facility shutdown pursuant to Condition # I-10 in this permit. There shall always be such a contact person(s) designated by the permittee. One contact person shall be available 24 hours a day during all phases of the project to respond to inquiries received from citizens and the County. If the address or phone number of the applicant's agent should change, or the responsibility be assigned to another person or position, the applicant shall provide to the Director of the Planning and Development Department the new information within seven days.

III-3. ~~ExxonMobil~~ to Provide Copies of Applications and Permits to Planning and Development Department

~~ExxonMobil~~ Sable shall furnish to the Director of the Planning and Development Department copies of all permit applications relative to the project when submitted to other regulatory agencies. When such permits are received by ~~ExxonMobil~~, Sable, ~~ExxonMobil~~ Sable shall provide copies of the permits to the County within 30 days.

IV. FACILITY DESIGN

IV-A. BOARD OF ARCHITECTURAL REVIEW

All construction and construction activity shall be in accordance with a plan approved by the County Board of Architectural Review including the criteria outlined in Article III Zoning

Ordinance Section 35-236.9 and Section 35-329, except where those criteria have been modified by this development plan. Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the County Board of Architectural Review (BAR) and the Director of the Planning and Development Department (P&D) and obtain BAR and P&D approval of a plan demonstrating that:

IV-A.1. BAR Review and Approval

Prior to construction, all buildings, structures, landscaping, and signs shall be reviewed and approved by the BAR.

IV-A.2. (Moved to section XIV)

IV-A.3. Landscaping for Facility Screening

Prior to use or operation, all facilities, including construction parking and marshalling areas, shall be screened by landscaping from view from Highway 101 to the maximum extent feasible, including the use of mature trees. Landscape screening shall also be placed between the project facilities and riparian habitat areas. To the extent practical, all landscaping should include the use of drought resistant, native plant species.

IV-A.4. Permanent Fencing

Prior to operation, permanent fencing shall be constructed around the project facilities.

IV-A.5. Avoidance of Riparian, Vaqueros, and Cultural Resource Areas

Prior to approval of the Final Development Plan, construction, parking, storage, and marshalling areas shall be defined on the Final Development Plan to avoid, to the maximum extent feasible, riparian habitat areas, the Vaqueros area and cultural resource areas following mitigations identified in the FEIS/R and Supplements. Prior to and during the construction period, the defined areas shall be fenced to limit disturbance of the surrounding areas.

IV-A.6. Underground SCE Power Lines

~~ExxonMobil~~ The permittee shall cooperate with Southern California Edison (SCE) in the undergrounding of power lines on ~~ExxonMobil~~ the permittee's property between the regional transmission line and the SCE substation, should the County require such undergrounding of SCE.

~~ExxonMobil~~ The permittee shall fund a pro-rata share of the differential costs of implementing the environmentally preferred scenario for the transmission lines proposed by SCE from the Goleta substation to Gaviota, based on the environmental review for that project. ~~ExxonMobil's~~ The pro-rata share shall be based upon an equitable cost-sharing formula applied to all users of the grid power.

IV-A.7. (Moved to section XIV)

IV-A.8. (Moved to section XIV)

IV-A.9. (Moved to section XIV)

IV-A.10. Energy Conservation Techniques

Cost effective energy conservation techniques shall be incorporated into project design.

IV-A.11. Exterior Lighting

No unobstructed or unshielded beam of exterior lighting shall be directed toward any area outside graded pads depicted in the Final Development Plan. Lighting along roadways within the project shall utilize low intensity, ground level, shielded fixtures. The plan shall demonstrate that all feasible measures have been taken to reduce obtrusive night lighting and glow from the facilities. 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. *(Added February 19, 2003, Offshore Power Cable Repair & Enhancement Project.)*

IV-A.12. Glare

No glare or other radiation resulting from facilities, other than lighting fixtures or gas flares, constructed pursuant to this Development Plan shall be detectable at any point along or outside the exterior boundaries of the ~~ExxonMobil~~ property.

IV-A.13. (Moved to section XIV)

IV-A.14. Removal of El Capitan Marine Terminal Facilities

Within one year from Final Development Plan approval, ~~ExxonMobil~~ the permittee shall remove the old El Capitan marine terminal tank and associated facilities located immediately north of the Highway 101 frontage road and east of the boundaries of the ~~ExxonMobil~~ property. Prior to commencing removal operations, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a restoration plan for all affected areas which shall include excavating any contaminated soil, and recontour the area, and revegetate the site to blend with the natural state of the surrounding area.

IV-A.15. Tank Removal

~~ExxonMobil~~ The permittee shall cause to have removed the 30,000-barrel tank located adjacent to the ~~ExxonMobil~~ SYU Project temporary vehicle parking lot at the mouth of Corral Canyon. Physical removal of this tank shall be initiated prior to operation of oil and gas

facilities constructed pursuant to this Development Plan. ~~ExxonMobil~~ The permittee shall screen the remaining tanks at the lower tank farm from public view, with tall trees or shrubs. This vegetative screening shall be established as soon as possible following completion of facility removal activities at the lower tank farm. ~~ExxonMobil~~ The permittee shall cause to have permanently removed a 1,000-barrel tank and a condensate separator tank visible in the upper tank farm. Additional tanks and separators at the upper tank farm shall be temporarily removed pending replacement of the equipment removed by the lease-holder. Equipment that is replaced shall meet County Petroleum Administrator standards and shall be painted with the color "Sagebrush" or other suitable color as determined by Planning and Development Department. Removal of these facilities shall be initiated as soon as possible following approval of this FDP amendment. All necessary permits shall be obtained prior to any tank removal. All tank removal and landscaping requirements of this condition shall be completed prior to January 1, 1994, unless an extension is obtained from the Director of the Planning and Development Department or his/her designee. *(Modified August 10, 1993)*

IV-A.16. Landscaping and Revegetation Bond

Prior to issuance of any Land Use Permits or Coastal Development Permits, ~~ExxonMobil~~ the permittee shall post a bond or other security agreement approved by the County Counsel to ensure that all landscaping and revegetation programs are completed.

IV-B. GRADING

IV-B.1. Grading and Erosion Control Plan

~~ExxonMobil~~ The permittee shall construct all facilities in accordance with a Grading Plan and an Erosion Control Plan prepared by a State of California registered Engineer and approved by the Public Works Department, Flood Control Department, and the Director of the Planning and Development Department prior to issuance of a Land Use Permit and/or Coastal Development Permit. Consideration of road crossing and crossing culvert design in terms of sediment loading and loss during flood flows, including 100-year storm flow, shall be included in the Erosion Control Plan.

Above-ground structures in the coastal zone shall not be constructed on slopes which exceed 40 percent prior to grading.

IV-B.2. Landscaping and Irrigation Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a landscape and irrigation plan, which has been reviewed by ~~the ExxonMobil~~ a soils engineer and engineering geologist, and approved by the County, to ensure that irrigation methods will not increase erosion or adversely affect slope stability. To reduce irrigation requirements, reseeding of cut and fill slopes should be scheduled to take advantage of natural rainfall. This schedule should take into consideration

the time required for the establishment of vegetative cover and root mat sufficient for slope stabilization.

IV-B.3. Seasonal Restrictions on Trenching and Grading

No trenching in the riparian habitat areas shall be performed in the wet season (November 1 through April 15) unless ~~ExxonMobil~~ the permittee demonstrates to the satisfaction of the Director of Planning and Development Department (P&D), in consultation with a qualified biologist selected by and under contract to the County, that environmental impacts will not be increased as a result of grading at other times. Pipeline construction grading in the State Parks shall only occur during the winter months. Grading outside of the riparian area may occur year-round provided sediment catch basins, which have been approved by the Public Works Department, are installed prior to grading.

If onshore work associated with the Offshore Power Cable Repair and Enhancement Project is proposed to occur during the rainy season (November 1–April 1), ~~ExxonMobil~~ the permittee shall submit, in addition to the demonstration required above, a project-specific 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 initiation of construction work onshore. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

IV-B.4. Storm Drainage Plan

Prior to issuance of any Land Use Permits or Coastal Development Permits, ~~ExxonMobil~~ the permittee shall submit to the Flood Control Engineer and the Director of the Planning and Development Department for approval a drainage plan that demonstrates adequate protection in a 100-year rainfall event, and shall submit a description, process flow diagram, and calculations describing the containment and treatment of a 100-year storm flow around all tanks and process vessels, including chemistry of untreated runoff discharged water and disposition of treated wastes from separation devices. The plan shall also identify procedures to ensure that, should a 100-year storm flow occur, the culvert under Highway 101 does not become blocked, causing flooding of the facilities in lower Corral Canyon.

IV-B.5. Future Consolidated Grading Plan

As part of the FDP, ~~ExxonMobil~~ the permittee shall submit a grading plan for future consolidated oil processing facilities to at least 210 KBOD.

IV-B.6. Marine Terminal Grading

Grading for any marine terminal facilities shall not commence prior to grading for other project facilities. (*Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.*)

IV-C. DOMESTIC WATER SUPPLY

IV-C.1. Water Permit for Well #3

Prior to issuance of any Land Use Permits or Coastal Development Permits for facilities, ~~ExxonMobil~~ the permittee shall obtain from Environmental Health Services an approved Domestic Water Supply Permit application for Well #3.

IV-D. ON-SITE FACILITIES

IV-D.1. Underground Liquid Storage Tanks

Prior to issuance of the appropriate Land Use Permit, ~~ExxonMobil~~ the permittee shall obtain permits from Environmental Health Services for construction and/or modification of any underground liquid (including molten sulfur) storage tanks.

IV-D.2. Removal of Debris

During the life of the project, ~~ExxonMobil~~ Sable will remove or cause to be removed any and all above ground man-made junk and debris located on the property, including any abandoned oil and gas pipelines, tanks, pumping units, and separators. The area shall be recontoured and revegetated to blend with the natural state of the surrounding area.

IV-D.3. Design Plans for Road Improvements

Design of all road improvements including culvert design for stream crossings, shall be performed by a Civil Engineer registered in the State of California. Plans and profiles shall be submitted to the Public Works Department for approval.

IV-D.4. DELETED

IV-D.5. Parking Regulation Compliance

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall demonstrate compliance with the provisions of the parking requirements of Chapter 35, Article III, Division 6, "Parking Regulations," of the County Zoning Ordinance.

IV-D.6. Water-Conserving Fixtures

The design of all onsite facilities shall incorporate the use of water-conserving fixtures to the maximum extent feasible.

IV-D.7. Permitted Trailers

Upon completion of ~~ExxonMobil~~ the POPCO Process Synergy Project construction activities, the property owner, at his or her expense, shall promptly remove the trailers from the property and disconnect all utilities associated with the use of the trailers in accordance with Section 35-281 of the County Inland Zoning Ordinance.

IV-E. OFF-SITE FACILITIES/RECREATION

IV-E.1. Parking Management Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit a plan to the Director of the Planning and Development Department demonstrating adequate onsite and offsite parking for all private vehicles belonging to employees, contractors, and other project-related personnel as identified in the FEIS/R and Supplements.

All such vehicles shall be parked at the designated parking areas. The plan shall include provisions for employee shuttle bus service from offsite parking areas during the construction phase. Prior to construction, any new parking areas shall be screened from public view pursuant to a landscape plan approved by the County Board of Architectural Review.

IV-E.2. Responsibility for Oil Spill Clean-Up and Resource Restoration

Prior to start-up, ~~ExxonMobil~~ the permittee shall submit a plan approved by the Director of the Planning and Development Department demonstrating that ~~ExxonMobil~~ the permittee shall restore areas of any accidental oil spill damage within Santa Barbara County jurisdiction arising out of this project to pre-spill conditions. In the event that any other party liable for an accidental spill is found to be unable to pay damages, ~~ExxonMobil~~ Sable shall restore the area.

This plan shall be implemented for onsite spills, and offsite spills, including marine terminal accidents and accidents involving marine vessels serving ~~ExxonMobil~~ the permittee. (Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)

IV-E.3. (Moved to XIV-8)

IV-E.4. Contribution to Beach Pilings Removal

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall contribute \$25,000 to a County-maintained fund which will be used for the prompt partial or complete removal of abandoned steel pilings on the beach at El Capitan State Beach Park. Additional funds for this removal will be obtained from other projects which have similar impacts on beach and recreational facilities.

IV-E.5. Compliance with State Parks TUP

~~ExxonMobil~~ The permittee shall obtain and comply with all conditions of approval set forth in its State Parks Temporary Use Permit (TUP). The TUP shall be obtained and a copy

submitted to the County of Santa Barbara Planning & Development Department prior to initiation of onshore construction work associated with the Offshore Power Cable Repair and Enhancement Project. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project.)*

IV-E.6. Pipeline Beach-Crossing/Beach Access

Prior to installation of the pipeline beach crossings, ~~ExxonMobil~~ the permittee shall ensure that there is adequate vertical access to the beach adjacent to the project site. ~~ExxonMobil~~ The permittee shall, at its own expense, maintain this access for 5 years after completion of pipeline installation.

IV-E.7. Funding for Coastal Bikeway System

Prior to start-up, as a mitigation for closing the Coastal Bikeway during the construction period, ~~ExxonMobil~~ the permittee shall pay for the reconstruction of the existing bikepath between El Capitan and Refugio State Beach Parks according to the standards of the State Department of Parks and Recreation or provide to the Department of Parks and Recreation an equal amount of funding for the construction of a new link in the Coastal Bikeway System.

IV-E.8. Bike Path Safety and Maintenance

In order to ensure public safety during construction, repair and/or removal activities, 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 prior to initiation of construction/removal activities.

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 for public safety. The County EQAP monitor shall verify compliance in the field.

~~ExxonMobil~~ The permittee shall submit photo documentation of the physical condition of the bike path before and after access to the south manhole tunnel. ~~ExxonMobil~~ The permittee 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 Beach Park and State Parks for pre- and post-construction inspections. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project.)*

IV-E.9. ~~ExxonMobil~~ to Fund Necessary Road Improvements

Prior to issuance of any Land Use Permits or Coastal Development Permits, ~~ExxonMobil~~ the permittee shall fund any necessary road improvements to serve the project sites identified by the County Public Works Department, Roads Division which may include modifications to the El Capitan/Calle Real interchange, and roadbed improvements on Calle Real. As other

potential road users obtain permits from Santa Barbara County, they will be required to reimburse ~~ExxonMobil~~ the permittee on a pro-rata basis.

V. COGENERATION PLANT

V-1. NO_x Control

In order to mitigate significant air quality and groundwater impacts identified in the FEIS/R and to facilitate future consolidation of oil and gas processing facilities on ~~ExxonMobil's~~ the property consistent with Santa Barbara County policies, ~~ExxonMobil~~ the permittee is allowed to size the cogeneration plant at 49 megawatts with 90 percent NO_x control.

Should ~~ExxonMobil~~ the permittee be unable to achieve 90% NO_x reduction, it may, upon approval by the APCD, apply to Planning and Development Department for permission to operate the plant at a level of at least 80% NO_x reduction. Such permission shall be granted only if ~~ExxonMobil~~ the permittee provides sufficient emissions reductions to offset the increased emissions pursuant to the District's offset ratio in effect at the time of the APCD Source Compliance Demonstration Period and demonstrates that the additional emissions will not cause a violation of applicable federal, state, or local standards, regulations, or increments.

VI. PIPELINE AND NGL/LPG TRANSPORTATION

VI-1. Oil Transportation

All oil processed by ~~ExxonMobil's~~ the oil treatment facility shall be transported from the facility and the County by pipeline in a manner consistent with Santa Barbara County Local Coastal Plan Policy 6-8. Transportation by a mode other than pipeline may be permitted only in accordance with Coastal Zoning Ordinance Section 35-154.5(i), applicable Local Coastal Plan policies and Control Measure R-12 of the Air Quality Attainment Plan, to the extent it is applicable.

VI-2. NGL Blending and Transportation

All natural gas liquids (NGLs), including liquified petroleum gases (LPGs), processed by ~~ExxonMobil's~~ the oil and gas treatment facilities shall be transported from the facilities in a manner consistent with Resolution No. 93-480 approved by the Board of Supervisors on September 7, 1993. Compliance with this condition shall specifically require ~~ExxonMobil~~ the permittee to retain or blend the maximum feasible volume of NGLs within its processed crude oil.

In the absence of another active application and as directed by the Board of Supervisors, ~~ExxonMobil~~ the permittee shall apply for, or participate in an application for, a regional NGL/LPG transmission facility (dedicated pipeline or improvements to existing crude oil pipelines to facilitate batch shipments of NGLs), considering feasibility pursuant to Resolution 93-480.

~~ExxonMobil~~ The permittee shall obtain Planning and Development Department approval of a plan detailing how ~~ExxonMobil~~ they will assure compliance with this condition. (*Modified May 4, 1994; II-2 Review.*)

VI-3. NGL Importation From POPCO

Except as noted in Condition VI-4 below, ~~ExxonMobil~~ the permittee shall import NGLs from the POPCO Las Flores Canyon Gas Plant to ~~ExxonMobil's~~ the Stripping Gas Treating Plant (SGTP) solely via the NGL flowline. The flowline shall be used in accordance with the approved NGL flowline project description (87-DP-32AM04). ~~ExxonMobil~~ The permittee shall report the volume of NGLs imported to the SGTP to the Planning and Development Department (P&D) annually through the Operations EQAP, and at any time upon reasonable request from P&D. (*Added February 14, 1997.*)

VI-4. NGL Unloading Station

In accordance with the approved NGL Unloading Station project description (87-DP-32AM03), ~~ExxonMobil~~ the permittee is permitted to import NGLs from the POPCO Las Flores Canyon Gas Plant to ~~ExxonMobil's~~ the Stripping Gas Treating Plant (SGTP) via unloading facilities constructed at the LPG Storage Pad. This authorization shall be valid until September 15, 1997, after which time all truck unloading shall cease, except for: unloading NGLs from overweight ~~ExxonMobil~~ trucks; or unloading NGLs from ~~ExxonMobil~~ trucks carrying product, loaded at ~~ExxonMobil's~~ the SYU facilities, that does not meet sales specification; or unloading NGLs from POPCO's facilities when it is infeasible to receive NGLs via a pipeline from POPCO because of upset conditions or facility turn-arounds. Any request to import NGLs or any other gas liquids from any source other than POPCO shall be reviewed by the Planning Commission as a revision to ~~ExxonMobil's~~ the FDP. The volume of NGLs permitted to be imported by truck until September 15, 1997 is 438,000 barrels of NGLs per year (annual average). ~~ExxonMobil~~ The permittee shall report the volume of NGLs imported to the SGTP to the Planning and Development Department (P&D) annually through the Operations EQAP and at any time upon reasonable request from P&D. (*Added July 21, 1994; Amended July 16, 1996; Amended May 21, 1997.*)

VI-5. NGL Pipeline Connecting POPCO to ExxonMobil

By September 15, 1997, ~~ExxonMobil~~ the permittee shall construct and operate a pipeline, or use a pipeline constructed and operated by others, that connects POPCO's facilities to ~~ExxonMobil's~~ the SYU facilities for the purpose of shipping NGLs ~~to ExxonMobil~~ for blending in the crude oil ~~shipped by ExxonMobil~~, and for incidental further processing necessary to accomplish blending. In no case shall ~~ExxonMobil~~ the permittee unload NGLs shipped via truck from POPCO's facilities ~~to ExxonMobil~~ after September 15, 1997, with exceptions noted in Condition VI-4. (*Added July 21, 1994; Amended July 16, 1996; Amended May 21, 1997.*)

VII. CONSOLIDATION

VII-1. Consolidation and Co-location

~~ExxonMobil~~ The permittee shall make its facilities and property available for consolidation and co-location of oil and gas facilities on a non-discriminatory and equitable basis. County retains the right to verify that the use of the facilities and property is conforming with County policies regarding consolidation and to impose additional permit conditions where necessary to assure these policies are being fulfilled.

Consistent with the approved policy resolution regarding the consolidation of oil and gas processing facilities, in the event that the need for such facilities is demonstrated by other developers to the Planning Commission, ~~ExxonMobil~~ Sable shall make available to such other developers any excess capacity of the SYU project facilities. In the event that sufficient excess capacity does not exist within the SYU project facilities to serve the needs of such other developers as demonstrated to the Planning Commission, ~~ExxonMobil~~ Sable shall make its Las Flores/Corral Canyon property available to other developers for the construction of additional permitted oil and gas-related facilities. In the event that such necessary facilities are not permissible pursuant to the County's consolidation policies, ~~ExxonMobil~~ Sable shall reduce its throughput on a pro-rata basis to accommodate such other developers.

The intent of this condition is to ensure the efficient and maximum use of oil and gas-related facilities in order to avoid the construction of redundant facilities.

VII-2. Terms for Shared Facility Use

Prior to approval of the Final Development Plan and at any time thereafter, as requested by the County, ~~ExxonMobil~~ the permittee shall submit to the Director of the Planning and Development Department terms, including financial terms, under which other producers in the area would be permitted to enter and use either the facilities or property in the canyons for oil and/or gas processing or storage facilities, or ancillary facilities including but not limited to electrical substations, power generating facilities, water treatment facilities, wastewater loading facilities, and NGL/LPG loading facilities. ~~ExxonMobil~~ Sable shall submit the requested information to the Director of the Planning and Development Department within thirty (30) days of such request or by a date mutually agreed upon by ~~ExxonMobil~~ Sable and the Director of the Planning and Development Department. If these terms are determined to be unacceptable to potential users of the facility and if agreement cannot be reached, the County shall reserve the right to impose additional conditions as described above to amend the permit. The intent of this condition is to ensure the efficient and maximum use of oil and gas transportation and processing facilities. *(Modified May 4, 1994; II-2 Review)*

VII-3. DELETED

VII-4. Oil Storage Capacity

Oil storage tanks, up to a maximum of 650,000 barrels, shall be permitted only in Corral Canyon on the proposed fill pad.

VIII. REMOVAL OF EXISTING FACILITIES

VIII-1.OS&T Discontinuance and Removal

~~ExxonMobil~~ The permittee shall discontinue use of the OS&T within 30 days after the time that onshore oil facilities are fully operational and debugged. In any event, ~~ExxonMobil~~ the permittee shall remove the OS&T within one year of initial start-up of oil processing facilities. These time limits may be extended by the County upon a showing of good cause. The intent of this condition is to require the earliest practical removal of the OS&T.

VIII-2.OS&T SALM Removal

The existing SALM now used for the OS&T shall be removed within three months after removal of the OS&T. This time limit may be extended by the County upon a showing of good cause.

VIII-3.No OS&T in California Coastal Waters Off Tri-Counties

After removal or shutdown of the OS&T, ~~ExxonMobil~~ the permittee shall not use, permit others to use, or transfer the OS&T for further oil and gas processing in California Coastal Waters offshore Santa Barbara, Ventura, and San Luis Obispo Counties, as defined in APCD Rule 205(c).

VIII-4.Cable Recycling Feasibility Analysis

Prior to approval of the Santa Barbara County Coastal Development Permit for the Offshore Power Cable Repair and Enhancement Project, ~~ExxonMobil~~ the permittee shall submit a Recycling Feasibility Analysis for County review and comment. The analysis shall clearly demonstrate and document inquiries made by ~~ExxonMobil~~ the permittee and/or its contractors for cable recycling and responses received, including any conditions and/or limitations to recycling. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

IX. MARINE TERMINAL

(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)

IX-1. Marine Terminal and SALM Permit

This permit allows for construction and operation of a marine terminal with a Single Anchor Leg Mooring (SALM) 11,250 feet offshore. The terminal is intended to serve as a consolidated facility with equitable, pro-rata access to all shippers.

IX-2. Marine Terminal Use

The Las Flores Canyon Consolidated Marine Terminal (LFCCMT) shall be used solely for the transfer of crude oil onto marine vessels for export out of Santa Barbara County. If LFCCMT construction has not commenced by April 1, 1994, and ~~ExxonMobil~~ the permittee has not received from the County an extension of the deferral period permitted herein, that portion of the SYU FDP (87-DP-32cz) permitting LFCCMT construction and operation shall be extinguished and become null and void and no facilities associated with the LFCCMT shall be constructed. *(Modified September 20, 1989)*

IX-3. Marine Terminal Users and Use Plan

~~ExxonMobil~~ The permittee shall allow only those shippers holding valid County permits to use the marine terminal facilities. Prior to construction of the marine terminal, ~~ExxonMobil~~ the permittee shall obtain County approval of a plan to ensure that marine terminal facilities will be used only to serve those destinations that are not adequately served by pipeline and will in all other respects be consistent with County oil transportation policy. This plan shall include quarterly reports of all tanker calls, volumes loaded, producers, shippers, crude oil owners, and destinations. *(Modified September 20, 1989)*

IX-4. Mooring and Tanker Master Requirements

No tanker shall moor at the marine terminal unless commanded at all times during maneuvering and loading by a tanker master who has attended the ship handling course at Grenoble, France and simulator training at the Computer Assisted Operations Research Facility (CAORF) at Kings Point, or the Marine Safety International Facility at La Guardia Airport or at a County-approved equivalent.

IX-5. Segregated Ballast

No dirty ballast water shall be discharged into the coastal waters. All tankers calling at the ExxonMobil facility shall be equipped with segregated ballast systems or shall carry its own ballast.

IX-6. Marine Terminal Availability to All Users

~~ExxonMobil's~~ Marine terminal facilities will be available to all users on a nondiscriminatory basis. County retains the right to verify that the use of the facilities is conforming with State and County policies on consolidation and to impose additional permit conditions where necessary to assure these policies are being fulfilled to the extent feasible. The intent of this condition is to ensure the multi-company use of oil transportation facilities.

IX-7. Demonstration of Need for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning Commission and/or Board of Supervisors approval of the demonstrations required by FDP Condition II-6. *(Added September 20, 1989)*

IX-8. LFCCMT Permit Relinquishment

This condition is imposed to effectuate Local Coastal Program Policies requiring that only one consolidated marine terminal exist in Santa Barbara County. Upon County, State, and Federal approval of the Gaviota Interim Marine Terminal (GIMT) as the consolidated marine terminal in Santa Barbara County with a capacity of 125,000 barrels per day and a thirty-year term as an alternate mode of transportation to pipelines consistent with County oil transportation policies and Gaviota Terminal Company's acceptance of that approval, that portion of the ~~ExxonMobil~~ SYU FDP (87-DP-32cz) permitting LFCCMT construction and operation shall be extinguished and become null and void and no facilities associated with the LFCCMT shall be constructed. If the permit for the GIMT is modified to permit its operation as the consolidated marine terminal with capacity to 125,000 barrels per day and a thirty-year term as an alternate mode of transportation to pipelines consistent with County oil transportation policies in Santa Barbara County, it shall be conclusively presumed that industry's oil transportation demand is not greater than the capacity of the consolidated Gaviota Marine Terminal and that the impacts associated with the LFCCMT are not environmentally preferable to those associated with continued use of the GIMT for purposes of SYU FDP Condition II-6. *(Added September 20, 1989)*

IX-9. Marine Emergency Management Study (MEMS)

If ~~ExxonMobil~~ the permittee constructs the LFCCMT, ~~ExxonMobil~~ the permittee shall implement the recommendations of the County's Marine Emergency Management Study (MEMS) as directed by the Board of Supervisors on June 27, 1989. *(Added September 20, 1989)*

IX-10. Risk Management Program for LFCCMT

Prior to issuance of the coastal development permit for construction of the LFCCMT, the marine terminal facilities design shall undergo review through the Risk Management Program and System Safety Reliability and Review Committee, consistent with FDP Condition XI-1. ~~ExxonMobil~~ The permittee shall reimburse the County for costs incurred in monitoring, if any, compliance with design and mitigation requirements for construction of the LFCCMT consistent with FDP Conditions I-5 and I-6. *(Added September 20, 1989)*

IX-11. Marine Biology Impact Reduction Plan for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a Marine Biology Impact Reduction Plan (MBIRP; FDP Condition XIV-7) that includes the marine terminal and marine terminal pipelines. At a minimum, this plan shall include components comparable to those included in the Planning and Development Department-approved MBIRP

for the SYU pipelines, including pre-and post-construction biological surveys and a quantification of impacts to surfgrass from the marine terminal pipeline installation activities. *(Added September 20, 1989)*

IX-12. Revegetation Plan for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of an updated Revegetation Plan (FDP Condition XIV-3) that addresses the current status of revegetation efforts along the pipeline corridor and identifies specific impact reduction and restoration procedures to be implemented for the marine terminal pipeline construction, consistent with the existing Revegetation Plan. *(Added September 20, 1989)*

IX-13. Pipeline Impact Minimization Plan for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of an updated Pipeline Impact Minimization Plan (FDP Condition XVII-3) that identifies specific impact reduction procedures, including concurrent or shadow construction with other pipeline project(s), to be implemented for the marine terminal pipeline construction. *(Added September 20, 1989)*

IX-14. Authority To Construct for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall demonstrate to the satisfaction of the Air Pollution Control District (APCD) compliance with the Authority To Construct (#5651) issued by the APCD for the SYU Project. *(Added September 20, 1989)*

IX-15. NO_x and HC Emissions from the LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department and APCD approval of an updated plan demonstrating that NO_x and HC emissions are fully mitigated and that allowable emissions are offset within the meaning of FDP Condition XII-3.b and result in a net air quality benefit to the County. *(Added September 20, 1989)*

IX-16. Construction Emissions Curtailment Plan for the LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department and APCD approval of an updated Construction Emissions Curtailment Plan (FDP Condition XII-5) to reflect estimated overall construction emissions and emissions curtailment procedures specifically for construction activities occurring at the time of LFCCMT construction. *(Added September 20, 1989)*

IX-17. Construction Impact Mitigation Plan for the LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall demonstrate to the satisfaction of Planning and Development Department and the APCD that the project is in compliance with FDP Condition XII-5, including phased construction to minimize peak NO_x emissions and result in a net air quality benefit. *(Added September 20, 1989)*

IX-18. Episode Plan for the LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department and APCD approval of an updated Episode Plan (FDP Condition XII-7). *(Added September 20, 1989)*

X. SOCIOECONOMIC MITIGATION PROGRAM

~~ExxonMobil~~ The permittee shall participate in the Tri-County Socioeconomic Monitoring and Mitigation Program (SEMP) as adopted by the Board of Supervisors to address socioeconomic impacts identified as significant environmental impacts attributable to the proposed project. The criteria for allocating the costs of the monitoring and mitigation program and its mitigation requirements will be uniformly applied to all industry participants; however, mitigation costs for individual projects will vary.

The intent of this program is to obtain realistic information regarding project-related impacts which may or may not be different from those impacts identified in the FEIS/R and Supplements, and to allow impacted jurisdictions to require mitigation for these and as yet unforeseen impacts. Mitigation of impacts through other planning programs, and/or through existing administrative infrastructure shall be taken into account. The scope of this program is detailed in the SEMP guidelines as adopted by the Board of Supervisors in November 1985. As subsequent details in the structure of the Program are developed and approved by the Technical Advisory Committee (TAC) and the Program Advisory Committee (PAC), such details shall supersede portions of this condition as appropriate.

The purpose of the Monitoring and Mitigation Program is to accurately assess the impacts of the proposed development, including those in the following socioeconomic areas:

- a. Temporary housing needs, particularly demand for state and other park campsites, recreational vehicle parks, motel-hotel rooms and rental housing.
- b. Longer term (more than one year) housing needs, particularly low to moderate income housing needs, and associated water demands.
- c. Public finance, particularly negative fiscal impacts.
- d. Transportation of workers and materials to and from the site.

At any point when the Board of Supervisors determines that the monitoring program demonstrates that previous mitigation or mitigation funds paid by ~~ExxonMobil~~ the permittee exceeds the valuation of the impacts at issue, ~~ExxonMobil~~ the permittee shall be granted a credit against any other current or future mitigation fees imposed on ~~ExxonMobil~~ the permittee for this permit by the County. ~~ExxonMobil~~ The permittee shall be entitled to accrued interest at the prevailing legal rate which shall continue to accrue until the credit is used.

The Monitoring and Mitigation Program will be administered and staffed by the County of Santa Barbara, Department of Regional Programs and the Planning and Development Department.

In the event of unresolved technical issues in the area of methodology and calculation of socioeconomic impacts, there shall be a Technical Arbitration Group. This group shall be composed of three individuals without ties to either the County or ~~ExxonMobil~~ the permittee, one selected by the County Board of Supervisors, one selected by the oil and gas company representatives and the final member selected by the first two members. All Technical Arbitration Group decisions shall be appealable upon written request to the Board of Supervisors. Subsequent details on voting procedures and conflict resolution will be proposed by the Department of Regional Programs and Planning and Development Department and reviewed by the Board of Supervisors in a noticed public hearing.

The need for mitigation will be determined when County threshold levels are exceeded as shown by monitored activities and other data as appropriate. The Department of Regional Programs and Planning and Development Department will recommend mitigation action to the County Board of Supervisors. The Technical Advisory Committee will assist in making the assessment and recommendations. The monitoring and mitigation program will continue through all stages of development and production until the program is no longer deemed necessary by the County of Santa Barbara based on monitoring results and the recommendations of the Technical Advisory Committee and Program Advisory Committee.

This Monitoring and Mitigation Program is being applied as a condition of project approval in recognition of the uncertainty of projected impacts. As detailed in the specific conditions contained herein, a portion (not to exceed 30%) of some impact levels will be assessed upon approval of the Final Development Plan, with the remainder of the mitigation to be determined within the Monitoring and Mitigation Program. The purpose of this approach is to allow for a minimum amount of mitigation for impacts which will occur in the early stages of the project and which require some lead time to develop, such as housing. Any interest accrued from these funds, prior to its use to mitigate identified impacts, will be returned to the applicant.

~~ExxonMobil~~ The permittee shall be responsible for its pro-rata share of the costs associated with administration of the SEMP. All costs associated with project-specific mitigation required through SEMP shall be borne by ~~ExxonMobil~~ the permittee.

~~ExxonMobil~~ The permittee shall report to the County of Santa Barbara Department of Regional Programs information on expenditures, employment, residence information of employees, and their mode of transportation to the facilities. These data shall be provided in the form required by the

SEMP. Data submittals will be made semi-annually or other frequency, as determined necessary following initial data review.

SOCIOECONOMIC CONDITIONS

X-1. Impact and Donation to Campgrounds

Previous projects have shown impacts to State campgrounds from temporary construction workers, and at a minimum, this project is expected to contribute to similar levels of campground use for temporary housing. Unless ~~ExxonMobil~~ the permittee can demonstrate to the satisfaction of Planning and Development Department and the Department of Regional Programs that State campgrounds will not be impacted by construction workers, ~~ExxonMobil~~ the permittee shall make a donation to California State Parks for development of up to 20 new campsites to offset their worker use of these sites during the summer months. This donation shall be the State Parks estimated cost per developed campsite multiplied times the projected worker impact of up to 20 campsites. The total cost of this donation shall depend on the level of impact and shall be determined by County, in consultation with State Parks, after the first 6 months of construction and submitted to the State Parks Department. This determination shall be made using information supplied pursuant to condition X-5, and shall be based on the total number of ~~ExxonMobil~~ Santa Ynez Unit project workers using State Park campsites on the South Coast, averaged over the six-month period.

X-2. Low and Moderate Income Housing

To mitigate the impacts to low and moderate income housing to the South Coast area, the County will require an approved mitigation program prior to approval of the Final Development Plan. The program shall specify how adverse impacts identified through the forecasting element of the SEMP will be mitigated utilizing such measures as in-lieu financial contributions, rental subsidies and direct financing. Formulation of the program shall be consistent with the Housing Element policies and programs, on low and moderate income housing, currently being developed. The applicant will be assessed 30% of the estimated financial costs at the time of approval of the Final Development Plan. The remainder of the mitigation will be determined within the Monitoring and Mitigation Program.

X-3. Local Labor Pool

~~ExxonMobil~~ The permittee shall, to the extent permissible by law, include provisions in its contractor agreements specifically to encourage and promote employment from local labor so as to reduce the impacts associated with the in-migration of workers.

X-4. Incorporate Ventura County SEMP

~~ExxonMobil~~ The permittee shall implement the plan developed jointly by the County of Ventura and ExxonMobil, as outlined below:

I. Socioeconomic Reassessment and Mitigation Program

A. Socioeconomic Reassessment and Mitigation Program shall be conducted for the ExxonMobil and cumulative projects. The Program shall include:

a. An initial reassessment of the socioeconomic impacts of the ~~ExxonMobil~~ SYU and cumulative projects on the operations, infrastructure, General Plans, land use policies, 208 Areawide Water Quality Management Plan, Air Quality Management plan, and resource programs of the County of Ventura and potentially affected cities, special districts, and school districts located therein. The reassessment shall evaluate all direct, indirect, and induced impacts. The scope-of-work and consultant selection shall be determined by the County of Ventura after consultation with ~~ExxonMobil~~ the permittee. ~~ExxonMobil~~ The permittee shall pay the consultant costs.

b. The reassessment shall establish mitigation measures for all potential adverse project impacts identified, including but not limited to:

1) General Fund Impacts

Among the measures to be identified is full compensation of forecasted budget deficits attributable to the project;

2) School Impacts

Among the measures to be identified are financing, site selection, and construction of infrastructure needs attributable to the project;

3) Affordable Housing Impacts

Among the measures to be explored are the payment of housing in-lieu fees, underwriting of mortgage costs, payment of land costs, payment of rehabilitation loans, and rent subsidy payment; and

4) Water and Sewer Supply and System Impacts

Among the measures to be identified are financing, site selection, and construction of infrastructure needs attributable to the project.

Mechanisms for funding, site selection and infrastructure provisions, and contractual relationships shall be established. The timing of the impacts and mitigation measures shall be established. The whole or shared responsibility of ~~ExxonMobil~~ USA the permittee and the cumulative projects shall be established. In the event that initial mitigation measures exceed identified adverse project impacts, the financial ability, mechanism, and responsibility

for reimbursement from affected public agencies to ~~ExxonMobil-USA~~ the permittee shall be established.

- c. The completed reassessment shall be certified as adequate by the County of Ventura in consultation with potentially affected cities, special districts, and school districts identified in the Reassessment.
- d. ~~ExxonMobil~~ The permittee shall establish a security agreement or contract satisfactory to the County of Ventura guaranteeing mitigation of identified adverse project impacts in the certified Reassessment Program (sub-paragraph 1.b. above) or the ongoing Socioeconomic Monitoring Programs in Ventura County or the Tri-Counties.
- e. Sub-paragraphs a. through d. (above) shall be completed prior to Santa Barbara County's issuance of the Land Use Permit for the Oil Treating Plant, unless such timing is waived by the Ventura County Board of Supervisors in a noticed public hearing.

2. Socioeconomic Monitoring Program

A Socioeconomic Monitoring Program (SEMP) shall be conducted for the ExxonMobil and cumulative projects, relative to Ventura County interests. The SEMP shall address and monitor all employment and expenditures associated with the ~~ExxonMobil SYU~~ and cumulative projects. ~~ExxonMobil-USA~~ The permittee shall provide full mitigation pursuant to sub-paragraphs 1.d. and 1.e (above). Implementation of the SEMP in Ventura County shall be administered in conjunction with the Ventura County Technical Advisory Committee (TAC). The composition of the TAC shall be determined during the Socioeconomic Reassessment and Mitigation Program certified by the Ventura County Board of Supervisors as part of or as an amendment to ~~ExxonMobil's~~ the Santa Ynez Unit Project socioeconomic permit condition X-4.

3. Administrative Costs

~~ExxonMobil~~ The permittee shall, on a quarterly basis, promptly and fully reimburse the County of Ventura and the Cities of San Buenaventura, Oxnard, Port Hueneme and Camarillo, for all reasonable staffing and administrative costs associated with the Socioeconomic Reassessment and Mitigation Program, and the Socioeconomic Monitoring Program.

X-5. Temporary Housing Plan

Prior to approval of the Final Development Plan, the applicant shall submit to the County Department of Regional Programs and Planning and Development Department a plan for approval which details for each quarter of construction, how the housing needs of temporary

construction workers can be provided for through the private market place, without adversely impacting existing housing supplies. This plan, to be implemented by ~~ExxonMobil~~ the permittee, shall demonstrate how ~~ExxonMobil~~ the permittee plans to reduce the impacts identified through the SEMP including but not limited to the following elements:

Use of existing underutilized hotel/motel space during the months of September through May to provide for temporary living quarters for direct construction workers by year. Identification of incentives to all ~~ExxonMobil~~ direct construction workers such as rent subsidies and/or shuttle service to the site.

Use of any available housing outside the South Coast area for all workers associated with the project during the summer months when visitor-serving facilities in the South Coast area are at capacity. Incentives for workers shall be identified such as rent subsidies and shuttle service for all workers commuting to the job site.

Proof of reservation of housing facilities shall be submitted to the County on a semi-annual basis based on the SEMP forecast of direct worker housing needs.

~~ExxonMobil~~ The permittee shall provide information, on a semi-annual basis, through the SEMP, demonstrating that the housing needs of direct construction workers are being adequately provided for through the private marketplace without adversely impacting existing housing supplies, visitor-serving facilities or the environment.

Failure to address these impacts will require mitigation over and above that listed here.

X-6. Oil-Related Job Training Programs

~~ExxonMobil~~ The permittee shall agree to provide reasonable funds and/or other means of support to those local organizations who can develop oil-related job training programs. Examples of such organizations are the County of Santa Barbara Employment Training Programs, Private Industry Council, and local community colleges. Prior to approval of the Final Development Plan, the applicant shall submit to the Department of Regional Programs and Planning and Development Department a plan for contributions to such programs. The plan shall include: the type of contribution, (i.e. scholarships, dollar contributions, donation of equipment, use of facilities as training grounds, apprenticeship programs) and the number of years such contributions will be made.

X-7. DELETED

X-8. Coastal Resource Enhancement Fund

~~ExxonMobil~~ Sable shall make payments to the industry-wide Coastal Resource Enhancement Fund established for enhancement of the region to offset the impacts of increased industrial development associated with cumulative oil development in Santa Barbara County as identified in the FEIS/R.

It is recognized that given the proposed cumulative offshore oil and gas development in the Santa Barbara Channel, the impacts to recreation and tourism in the County will be adverse and significant, and that each applicant should be responsible for a pro-rata share of the cost of reducing these impacts.

The County Board of Supervisors shall determine, in a noticed public hearing, the amount of ~~ExxonMobil's~~ Sable's payment to the fund that is required to mitigate residual impacts. Mitigation shall not exceed \$327,400 annually for the life of the project, which is based on information contained in the FEIS/R.

X-9. Water Districts

The FEIS/R has estimated the peak-year requirements for water due to direct and indirect population growth could be as great as 350 AFY, and whereas this increased demand cannot be met in Santa Barbara County; and whereas it is felt that the applicant should be responsible for the development of alternative water supplies for the increased demand associated with the projects, and whereas the FEIS/R has identified severe water constraints in Santa Barbara, and whereas housing development is restricted in these areas due to limited water supplies, therefore;

~~ExxonMobil~~ The permittee shall provide water directly to impacted water districts through approved programs, such as desalination, or make a contribution to local water development projects within the County for that proportion of water necessary to support the growth attributable to their project. This contribution shall be made to the County of Santa Barbara as trustee for the impacted Water Districts and shall be based on the estimated peak water needs as identified through the SEMP multiplied times estimated average cost per acre feet for new water projects, such as desalination, wastewater reclamation and conjunctive use projects. Whereas a District employs several different types of projects with varying costs per project, the average of the project costs to supply this additional water demand will be used to determine ~~ExxonMobil's~~ the permittee's fee.

Where current project costs differ more than twenty percent (20%) from recent historical costs, the Water District shall fully justify the reasonableness of such increase. Thirty percent (30%) of this contribution shall be made at the time of the Final Development Plan approval if approved projects are in place or scheduled. The contribution is understood to be a one-time capital expense with subsequent operating and maintenance expenses the responsibility of water purveyors and consumers, not the applicant. Any additional need for mitigation of impacts on affected water districts shall be determined through the Socioeconomic Monitoring Program on an annual basis.

Any other user of ~~ExxonMobil's~~ the facilities shall comply with this condition to the extent that the additional use induces additional water demand.

X-10. Notice of Construction to Commercial Fishermen

Not less than 30 days before commencing any construction activities, ~~ExxonMobil~~ the permittee shall give notice thereof to all commercial fishermen operating in Santa Barbara County waters with commercial licenses from the California Department of Fish and ~~Game~~ Wildlife. Such notice shall be given in the following manner: i) by posting at the Harbor Master's offices at Santa Barbara, Ventura, Avila, and Morro Bay; (ii) by daily announcement over VHF marine radio until construction is completed; and (iii) other reasonable methods as identified by the Joint Oil/Fisheries Liaison Officer. In addition, for the Offshore Power Cable Repair & Enhancement Project, ~~ExxonMobil~~ the permittee shall file a timely advisory with the local U.S. Coast Guard District Office, with a copy to the Long Beach office of the State Lands Commission, for publication in the Local Notice to Mariners. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*) Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall demonstrate to Planning and Development Department its plans for compliance with this condition. (*Modified May 4, 1994; II-2 Review*)

Prior to and during implementation of the Offshore Power Cable Repair and Enhancement Project, ~~ExxonMobil~~ the permittee shall take the following steps to avoid/reduce conflicts with commercial fishermen:

1. ~~ExxonMobil~~ The permittee shall review design concepts and installation procedures with JOFLO to minimize impacts to commercial fishing to the maximum extent possible.
2. ~~ExxonMobil~~ The permittee shall keep the Joint Oil/Fisheries Liaison Office (JOFLO) in Santa Barbara abreast of construction activities as they progress during implementation of the Offshore Power Cable Repair and Enhancement Project.
3. ~~ExxonMobil~~ The permittee shall continue to consult with JOFLO and commercial fishermen, as appropriate, during the planning and construction stages of the project 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~~ the permittee 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, SBC.
4. Prior to commencement of cable installation activities, ~~ExxonMobil~~ the permittee 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

X-11. Local Fishermen's Contingency Fund

~~ExxonMobil~~ Sable shall cooperate with the County, other oil companies, the fishing industry, and the Coastal Commission to participate in the Local Fishermen's Contingency Fund. This fund has been set up as a loan program to provide speedy equipment replacement for commercial fishermen in order to minimize economic loss while awaiting payment on Federal Fisherman's Contingency Fund claims and for those claims by fishermen for damage attributable to the Santa Ynez Unit project which are not covered under the federal program. The fund shall be a revolving industry-supported contingency fund. The fund shall operate to reimburse fishermen for lost/damaged gear within 15 working days of submission of reasonable claims, to minimize economic damages resulting from such gear loss/damage. Said program shall continue through the life of the project or until the utility of the program is no longer deemed valid by the County.

X-12a. Support Vessel Mooring

All support vessels and tankers for both construction and operations shall be moored according to a plan developed by ~~ExxonMobil~~ the permittee and approved by Planning and Development Department that minimizes disturbance to commercial fishing activities and hard bottom habitats while maintaining safety standards. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

X-12b. Adherence to Vessel Corridors

~~ExxonMobil~~ The permittee shall require all construction and operations vessel transits associated with the Offshore Power Cable Repair and Enhancement Project to comply with the vessel traffic corridors established by the Joint Oil/Fisheries Committee. Inside 30 fathoms, where corridors have not been established specifically for the power cable repair project area, ~~ExxonMobil~~ the permittee shall establish temporary vessel traffic corridors for the duration of the project. These corridors shall be reviewed and approved by the JOFLO prior to initiation of vessel movements associated the power cable repair project. In addition, ~~ExxonMobil~~ the permittee shall include training on vessel traffic corridors in all pre-construction meetings with project contractors and their personnel. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

X-13. Removal of Construction Mooring Buoys and Fan Channel Supports

All construction mooring buoys shall be removed upon completion of construction, and post-construction sub-sea surveys at least 1200 feet on each side of pipeline corridors and

surveys around the mooring buoys shall be conducted to locate equipment lost overboard which may preclude use of fishing gear in that area. In addition, construction sites and footprints created by the exploratory rigs shall be similarly surveyed for any debris associated with exploratory and production drilling. Results of these surveys shall be submitted to the Planning and Development Department. ~~ExxonMobil~~ The permittee shall make all reasonable efforts to retrieve equipment lost overboard.

In the event any fan channel support used for the Offshore Power Cable Repair and Enhancement Project escapes, ~~ExxonMobil~~ the permittee shall require the contractor to recover such supports prior to demobilization.

~~ExxonMobil~~ the permittee shall require contractors associated with the Offshore Power Cable Repair and Enhancement Project, to the extent reasonable and feasible, to recover all items lost overboard during activities associated with the power cable repair 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

X-14. Pipeline Shrouds; Trawl Snag Testing

All pipelines shall be designed with shrouds around protrusions and installed and tested so that they will not snag or damage trawling equipment. Structural plans and reports of trawl snag test results will be submitted to the County Planning and Development Department for approval prior to pipeline construction. Disturbance to the ocean bottom from pipeline installation shall be minimized so as not to alter trawling activity.

X-15. Fisheries Training Program for Offshore Personnel

A Fisheries Training Program shall be mandatory for all oil and gas related support boat operators necessary to the project. ~~ExxonMobil~~ The permittee shall require all offshore personnel to view the Western States Petroleum Association Fisheries and Wildlife Training Program. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

X-16. Fisheries Enhancement Fund

Annual payments to the existing Fisheries Enhancement Fund aimed at the local fisheries to be administered by the County shall be made to enhance local fisheries in the Santa Barbara Channel. This contribution shall be based on the impacts as defined per year in the FEIR/S of \$133,900 per year for only the three years of construction when the impacts are greatest.

The first of these payments shall be made prior to initiation of any offshore construction activity. The second and third payments shall be made on the first and second anniversary dates of the first payment.

The above conditions on fishing shall be reviewed prior to approval of the Final Development Plan to ensure consistency and to avoid undue overlap with California Coastal Commission conditions or other negotiated settlements relative to fishing impacts. At the time of this review, any identical conditions shall be removed from this permit.

X-17. Industrial Use of Recreational Piers

The use of recreational piers for industrial purposes shall be prohibited except during emergencies unless it is demonstrated by the operator that there is no conflict with recreational uses. If recreational piers are requested to be used by ~~ExxonMobil~~ the permittee in an emergency situation, a reasonable landing fee will be assessed by the County Parks Department. Said fee will be used in conjunction with other funds for improvements to Goleta Beach Park.

X-18. Need for Additional Mitigation

If the Socioeconomic Monitoring Program shows that project taxes will not compensate for needed capital or operating expenditures necessary to provide project-related utilities and services, additional mitigation will be required through periodic permit review.

X-19. Santa Barbara Harbor Use Plan

Whereas it has been identified in the FEIS/R that oil and gas industry support vessels will compete for space in the limited harbor in Santa Barbara, and whereas it is desirable to maintain the percentage of space in the harbor now used for recreational and other commercial purposes, therefore:

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall develop a plan for approval by the City of Santa Barbara Harbor Department which details any project-related use of harbor facilities during the lifetime of the project and the fees to be assessed for displacement of recreational space both on a permanent and temporary and/or emergency basis if such use were to take place. This plan shall be reviewed by the County so as to ensure that any fees assessed were used appropriately so as to directly mitigate the impact to recreational and other commercial users of the harbor.

X-20. Parking and Transportation Plans

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall provide plans to the Department of Regional Programs and Planning and Development Department for approval demonstrating that adequate parking is available and that necessary ride-pooling and/or shuttle buses from offsite parking area(s) to the site are provided.

X-21. Traffic Mitigation Fees

In order to prevent significant cumulative degradation of the level of traffic service as a result of new development, Santa Barbara County has adopted and developed a fee program designed to generate funding for road improvements necessary to accommodate traffic from new development. As requested in the July 12, 1984 letter to the Planning Commission from the County Department of Public Works, an up-front offsite road fee will be required for all ~~ExxonMobil and contractor~~ workers. This fee shall be based on the projected 2-year peak average number of trips estimated in the FEIS/R and Supplements of 252 multiplied times the fee developed for the area of impact in the Goleta area of \$1300.00.

The amount of payment shall be reviewed and approved by the County Department of Transportation three months after approval of the Final Development Plan to reflect any credits associated with improvements to area roads as identified in the conditions of approval and when more information will be available on plans for parking facilities and van-pooling. Said payment will be deposited by the Road Division of the Public Works Department into the Road Improvement Trust Fund. Said payment shall be used for traffic related road improvements in the impacted areas specified in the FEIS/R and Supplements.

Funds directed to improvements in the specified areas shall be used to offset and/or reimburse any County expenses to accomplish both engineering and construction of the improvements.

If said payment has not been made within one year of approval of the Final Development Plan, the amount of said payment shall be adjusted by the amount equal to the change in the construction cost index for the preceding year, or increased to the then current fee adopted by the Board of Supervisors, whichever most closely reflects actual costs.

X-22. Highway 101 Demand Mitigation Plan

In order to partially mitigate LOS changes on U.S. Highway 101 and Goleta area intersections, the applicant shall submit a plan to the County Department of Public Works Road Division prior to approval of the Final Development Plan which details how impacts to Level of Service on U.S. Highway 101 will be lessened. This plan shall consider: implementation of staggered shifts for onshore and offshore construction workers during the first three years of construction; scheduling of truck traffic transporting materials to and from the site to avoid peak hours of traffic; material and worker related traffic routing during construction of the cross-town freeway; preferential parking for onshore workers in the limited parking space at Las Flores Canyon for registered ride pools of three or more workers; remote parking and van-pool programs; incentives for bus and/or ride pooling.

X-23. County Review of Taxes, Revenue Sharing, and Fees

In the event that state and/or federal revenue sharing legislation directed at distributing oil related revenues to state or local governments is approved or Santa Barbara County levies a tax (special or otherwise) on oil and/or gas processed or transported under this permit, then any condition herein requiring payment of money or other items of value by ~~ExxonMobil~~ the permittee to Santa Barbara County or any political subdivision thereof may be suspended

pending a review by the County to determine the extent, if any, to which the tax, revenue sharing, or any of the fees imposed are duplicative or unwarranted either as to the level of government services provided or the level of burdens imposed on the public. Upon a determination that any such tax, revenue sharing program or fee is in fact duplicative or unwarranted in light of the obligations created under any one or more of the conditions of this permit, then such obligations shall in any event be immediately suspended and the County shall refund to ~~ExxonMobil~~ the permittee the amount of any payments made since the effective date of such tax, revenue sharing program or fee.

XI. RISK MANAGEMENT PROGRAM

XI-1. Risk Mitigation

A Risk Management Program to substantially reduce the risks of project-related accidents which may result in loss of life and/or injury, and damage to property and/or the natural environment, shall be administered by the Santa Barbara County Planning and Development Department with the assistance of the System Safety and Reliability Review (SS&RR) Committee.

The SS&RR Committee consists of a representative from the County Air Pollution Control District, the County Fire Department, the Energy Division and the Building and Safety Division of the Planning and Development Department, and, on an as-needed basis, the Office of Emergency Services and Environmental Health Services. The SS&RR Committee may employ technical consultants, as necessary, to assist their review. All reasonable costs associated with this review shall be borne by ~~ExxonMobil~~ Sable. ~~ExxonMobil~~ Sable shall be entitled to participate in the review process.

Pursuant to Condition II-1, ~~ExxonMobil~~ the permittee shall submit design and construction drawings for its pipelines (onshore and within State Tidelands), SALM and onshore facilities to the SS&RR Committee, as directed by the Director of Planning and Development Department, for hazard identification, risk assessment, and mitigation of design hazards prior to construction of each project element. ~~ExxonMobil~~ The permittee shall submit operational procedure documents for its pipelines (onshore and within State Tidelands), SALM and onshore facilities to the SS&RR Committee in order to identify and correct potential operational hazards prior to operation. During the hazard identification phase of this review, input from neighboring residents shall be solicited.

The SS&RR Committee shall provide timely written reports on design, construction and operations submittals to identify potential hazards. These reports shall be submitted to ~~ExxonMobil~~ and ~~ExxonMobil~~ the permittee, and the permittee shall be given the opportunity to address the concerns raised and revise its plans to mitigate identified hazards.

The SS&RR Committee may require mitigation of remaining hazards through adoption of additional or modified design criteria. These requirements shall be incorporated into this Development Plan as though contained fully herein. In the event of a disagreement, the

SS&RR Committee may either develop alternate mitigation or request that the mitigation be required through a new or modified permit condition adopted by the Planning Commission.

The SS&RR Committee may also recommend that additional conditions be incorporated into this Development Plan, in a public hearing before the Planning Commission. (*Modified May 4, 1994; II-2 Review*) (*Note: Those portions of the SYU FDP permitting construction and operation of the LFCCMT were extinguished on April 1, 1994; see Condition IX-2.*)

XI-2. Risk Management Program Conditions

(*Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.*)

The Risk Management Program shall be detailed enough to ensure that all of the following conditions are incorporated in the program:

XI-2.a. Safety Inspection and Maintenance Programs

Prior to construction and prior to start-up, ~~ExxonMobil~~ the permittee shall submit to the Director of the Planning and Development Department detailed safety inspection and maintenance programs for all onshore and offshore (within 3 miles of shore) facilities to cover construction and operation periods, respectively. The plans shall include, but not be limited to, regular maintenance and safety inspections, corrosion monitoring and leak detection, and NGL and sulfur truck inspections prior to loading, and NGL and sulfur truck routing. Planning and Development Department shall solicit input from potentially impacted cities in the County, as well as the SS&RR Committee, on the program. The plan shall be reviewed by the County or its consultants and ~~ExxonMobil~~ the permittee shall incorporate modifications approved by the County which shall eliminate identified safety problems and provide for adequate inspection and maintenance. ~~ExxonMobil Sable~~ shall implement the approved plan and shall provide for County staff or its consultants involvement in all inspections.

~~ExxonMobil~~ The permittee shall submit appropriate revisions to its SIMP and receive SSRRC prior to start-up of the Synergy Project. The revisions shall reflect process and design changes as well as inspection and maintenance modifications necessary as a result of the Synergy Project. (*Modified July 25, 2001; 87-DP-032 cz (RV05)*)

~~ExxonMobil~~ The permittee shall prepare a Safety Plan for Tunnel Cable Installation and Removal Operations that describes procedures that will be followed and safety measures that will be taken to ensure that damage to other cables and pipelines does not occur during implementation of the Offshore Power Cable Repair and Enhancement project. 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). This 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. *(Added February 19, 2003 for the Offshore Power Cable Repair and Enhancement Project.)*

XI-2.b. Submittal of Design Specifications and Procedures

Prior to issuance of the LUP or CDP for each project component, ~~ExxonMobil~~ the permittee shall submit to the Director of the Planning and Development Department and the Public Works Department detailed design specifications and procedures which demonstrate mitigation of geologic hazards identified in the Final EIS/R associated with that project component. Design specifications and procedures shall address but not be limited to those measures identified in the FEIS/R and Supplements.

XI-2.c. Emergency Response Plan

Prior to start-up, ~~ExxonMobil~~ the permittee shall have a County-approved emergency response plan (ERP). The plan shall include emergency response procedures to be implemented by ~~ExxonMobil~~ for hydrogen sulfide releases nearshore and onshore, NGL and sulfur spills onsite or offsite, oil spills, and other accidental events affecting public safety and the environment. The plan shall include appropriate evacuation procedures for persons which could be directly affected by the accidents. The plan shall be reviewed and approved by the Office of Emergency Services, the Fire Department, and the Planning and Development Department.

~~ExxonMobil~~ Sable shall demonstrate the effectiveness of the ERP by responding satisfactorily to no more than two drills each year. The drills may be called by the County at locations within the scope of the ERP. These may be surprise drills and if so, the County will provide the following to ~~ExxonMobil~~:

- Written notification stating the need for the surprise drill, and
- A defined scope, objectives, and time window in which the drill may be called.

If critical operations are underway, ~~ExxonMobil~~ Sable need not respond to the drill at the time but shall explain the nature of the critical operations and why response is not possible. The County may then reschedule the surprise drill. Reasonable improvements shall be implemented based on County and ~~ExxonMobil~~ Sable joint review of drill performance. ERP drills shall, to the maximum extent feasible, be designed to satisfy other conditions' requirements for drills.

The plan is a dynamic document and, as such, shall be reviewed and revised when warranted, as determined by the County. *(Modified May 4, 1994; II-2 Review)*

~~ExxonMobil~~ The permittee shall revise their Integrated Emergency Response Plan as appropriate to reflect the Synergy Project changes, including communications between the

two control rooms and automatic shutdown systems. The revised ERP shall be submitted to the SSRRC for review and approval prior to startup. *(Modified July 25, 2001; 87-DP-032 cz (RV05).*

XI-2.d. Funding County Emergency Response Plan

In order to assure that County emergency response procedures adequately interface with the ~~ExxonMobil~~ emergency response procedures, ~~ExxonMobil~~ the permittee shall provide its reasonable pro-rata share of funds to the County to develop and implement a feasible County Emergency Response Plan for oil and gas industry related emergencies. As appropriate, the County shall request funds from other offshore oil operators to aid in funding of the County Emergency Response Plan.

XI-2.e. Oil Spill, Hazardous Materials and Waste Management, and Refueling Plans

Prior to onshore construction, ~~ExxonMobil~~ the permittee shall submit an oil spill prevention control and countermeasure plan addressing onshore construction activities to the Director of the Planning and Development Department for review and approval. Prior to start-up, onshore and offshore oil spill prevention control and countermeasure plans, hazardous waste plans and toxic substance control plans addressing the operations phase shall be submitted to the Director of Planning and Development Department for review and approval. These plans shall contain appropriate procedures to interface with County Emergency Response and Hazardous Material Plans. In addition, these plans shall include measures designed specifically to protect Corral and Las Flores Creeks, low-impact clean-up strategies for riparian and in-stream habitats, restoration procedures in accordance with condition XIV-3, procedures for protecting and/or avoiding known archaeological site areas, and demonstration of incorporation of appropriate oil spill prevention technology (as determined by the SS&RR Committee) into pipeline design. To the extent that submittals to other agencies satisfy the reasonable concerns of the County, these submittals may be used to satisfy this requirement.

For the Offshore Power Cable Repair and Enhancement Project, ~~ExxonMobil~~ the permittee shall prepare a project-specific Oil Spill Response Plan (OSRP) that clearly identifies the responsibilities of contractor and ~~ExxonMobil~~ SYU personnel in the event of an oil spill during project implementation. This plan shall list and identify the location(s) 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

~~ExxonMobil~~ The permittee 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~~ the permittee shall conduct a boom deployment drill prior to commencement of power cable removal and installation operations. ~~ExxonMobil~~ The permittee shall notify MMS at least 72 hours before the drill to allow MMS to witness boom deployment operations. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

~~ExxonMobil~~ The permittee and its contractors shall refuel all vessels involved in the offshore power cable repair project at onshore facilities (ports/piers) or according to an agency approved refueling plan. This 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XI-2.f. Crude Oil Reference Samples

Within 60 days after start-up ~~ExxonMobil~~ the permittee shall provide to the County Petroleum Office representative samples of SYU crude oil from ~~ExxonMobil's~~ SYU facilities for creation of a channel-wide "library" of reference samples of oil. These samples shall be updated annually or as needed during the drilling and production phases of the project by an independent lab or firm of the County's choice. In the event of any reported oil spill or an oil spill of unknown source suspected by the County, but for which there is probable cause in the judgment of P&D, that it resulted from offshore oil activities, then ~~ExxonMobil~~ the permittee shall pay a pro-rata share of the cost of sample collection and analysis. *(Modified May 4, 1994; II-2 Review)*

XI-2.g. Power Cable Repair Execution Plan

~~ExxonMobil~~ The permittee 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 minimize 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 SSRRC prior to approval of the Coastal Development Permit.

~~ExxonMobil~~ The permittee shall de-energize the cables and shutdown the oil and gas pipelines in the tunnel during cable pulling operations in the tunnel, unless ~~ExxonMobil~~ the permittee 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XI-2.h. Site Security Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Santa Barbara County Sheriff's Department for review and approval a site security plan. The plan shall describe procedures to be implemented by ~~ExxonMobil~~ Sable which will prevent intentional damage to onshore and offshore facilities which may result in environmental damage or public safety hazards.

XI-2.i. Fire Control/Protection Plans

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the County Fire Department, for review and approval, a Fire Control Plan for ~~ExxonMobil~~ SYU facilities within Santa Barbara County, including the offshore portions of the marine terminal. ~~ExxonMobil~~ The permittee shall, at its own expense, provide the County Fire Department with reasonable new facilities, equipment, and staffing as specified in the approved Fire Control Plan.

The Fire Control Plan also shall consider the need for fire suppression reservoirs, brush clearing, alternate emergency access roadway(s), and on-site fire detection and suppression systems.

~~ExxonMobil~~ Sable shall be financially responsible for implementing all requirements of the approved Fire Control Plan.

A project-specific onshore Fire Protection Plan (FPP) shall be prepared for the power cable repair project. The plan shall be submitted to the Santa Barbara County System Safety Reliability Review Committee (SSRRC) for review and approval prior to approval of the Santa Barbara County Coastal Development Permit and shall be implemented ~~by ExxonMobil~~ as approved. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

~~ExxonMobil~~ The permittee shall work with SBC Building and Safety to ensure that the power cable repair project complies with applicable codes and with API RP 500 and NFPA 70 (NEC) for the tunnel area. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XI-2.j. Tanker/Platform Collision Avoidance Plan

~~ExxonMobil~~ The permittee shall file with the Director of the Planning and Development Department, for information only, Coast Guard approved plans, if any, to ensure that the risks of a tanker/platform collision are minimized.

XI-2.k. Oil Spill Drills

In addition to federal and state requirements for a Spill Prevention, Control, and Countermeasure Plan, ~~ExxonMobil~~ Sable shall demonstrate oil spill response capability by responding to not more than two surprise oil spill drills each year which may be called by the County on the property, offshore at the marine terminal, or along Highway 101 for a simulated tanker truck spill. If critical operations are underway, ~~ExxonMobil~~ Sable need not respond but shall explain the nature of the critical operations and why response is not possible.

XI-2.l. Fire Panel Investigation at Las Flores Canyon

Prior to approval of any Land Use Permits or Coastal Development Permits for marine terminal facilities (except pipelines), the need for a vessel with fire fighting capabilities at Las

Flores Canyon shall be investigated by a five-member panel of experts. The panel shall be composed of the following:

- 1) Santa Barbara County Fire Department representative.
- 2) ~~ExxonMobil~~ Permittee representative.
- 3) ~~ExxonMobil~~ The permittee and the County Fire Department shall each designate one independent expert with education, training and experience in marine crude oil tanker fire prevention and suppression.
- 4) The two independent experts shall in turn designate a third independent expert with similar qualifications.

The Panel shall investigate and consider the justification for a dedicated fire protection vessel at Las Flores Canyon. If the panel decides a fire protection vessel is justified, the panel shall then decide if the vessel can be combined into a common vessel with tug, line handling, and boom deployment capabilities.

The panel shall consider safety, technical and economic evidence, as well as any other evidence the panel deems relevant. ~~ExxonMobil~~ The permittee shall pay the reasonable fees for the services of the three independent experts.

The panel shall make a recommendation to the Board of Supervisors and the Board shall, prior to issuance of any Land Use Permits or Coastal Development Permits for marine terminal facilities (except pipelines), make a final decision as to what marine fire protection system shall be required.

XI-2.m. Fire Protection Systems and Storage Tank Review

All new storage tanks and their fire protection systems shall be of a design reviewed by the System Safety and Reliability Review Committee and approved by the County Fire Department.

XI-2.n. Full-Time Fire Inspector Funding

Prior to operation of the marine terminal facilities, the Santa Barbara County Fire Department shall hire a full-time fire inspector to be stationed in the project vicinity. The cost of this inspector shall be pro-rated among appropriate local development projects as specified in Condition P-8, Final Permit Actions, Chevron Pt. Arguello/Gaviota Oil and Gas Development Project. Prior to such hiring, the County will define, in consultation with ~~ExxonMobil~~ the permittee, the specific duties of the inspector. These duties shall include, but not be limited to those specified in Chevron Condition P-8 and the following:

- Enforce fire prevention regulations applicable to the site;
- Monitor the maintenance of fire protection and firefighting equipment and process control equipment to assure proper operating conditions;

- Report monthly to the Santa Barbara County Fire Department as well as a facility employee designated by ~~ExxonMobil~~ the permittee in consultation with the County Fire Department.
- Coordinate with the United States Coast Guard to assure that fire protection systems and equipment onboard tankers are in proper working order, and coordinate necessary onboard inspections.

XI-2.o. Tug Availability to Tankers

Prior to operation of the marine terminal facilities, ~~ExxonMobil~~ the permittee shall station tugs such that they are available to a tanker as specified by the risk management program.

XI-2.p. Lighting of Onshore Range-Markers

In order to decrease the likelihood of vessel grounding, ~~ExxonMobil~~ the permittee shall light the onshore range-markers at night and during periods of low visibility when a tanker is making its approach, as per USCG-approved plans.

XI-2.q. Installation of Navigational Aids

In order to decrease the likelihood of vessel grounding and collisions, ~~ExxonMobil~~ the permittee shall, prior to operation of the marine terminal facilities, install navigation aids such as marker buoys near obstacles or shallow waters that must be avoided as per USCG approved plans. ~~ExxonMobil~~ The permittee shall light necessary buoys at night and during periods of low visibility.

XI-2.r. Weather Surveillance and Forecasting System

Prior to operation of the marine terminal facilities, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a site-specific weather surveillance and forecasting system to provide vessel masters with accurate information on weather conditions that will aid in decisions for weather-related vessel movements.

XI-2.s. Vessel Equipment and Operations Requirements

Vessels calling at ~~ExxonMobil's~~ the SYU facility shall be equipped with functioning compass, echo sounder, radar, doppler sonar, VHF radio, RDF, anemometer and equipment for short-range position fixing.

~~ExxonMobil~~ The permittee shall ensure that all construction contractors associated with the Offshore Power Cable Repair and Enhancement Project 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. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

~~ExxonMobil~~ The permittee shall ensure that all materials related to the Offshore Power Cable Repair and Enhancement Project cable pulling and laying operations are loaded on the DP vessel at applicable port locations and that transfer of materials at sea is avoided to the extent feasible. No crane-lifts of materials and equipment shall be made over operating pipelines and power cables in the SYU. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

XI-2.t. English Speaker on Vessel Bridge

Vessels calling at ~~ExxonMobil's~~ the SYU facility shall have an English-speaking person on the bridge at all times to facilitate communication with the terminal control personnel.

XI-2.u. Frequency and Purpose of Safety Audits

The ~~ExxonMobil~~ marine terminal operations and facilities shall be subject to initial review as per section (a) of this condition, three years after start-up, and to 5 year safety audits thereafter conducted by the System Safety and Reliability Review Committee and/or an approved third party consultant. The purpose of the review shall be to identify reasonable and feasible changes in procedures and/or equipment, and subsequently to implement appropriate best available and safest technology standards at the facility, considering the economic burdens imposed and environmental and safety benefits to be derived. All reasonable costs associated with review shall be the responsibility of ~~ExxonMobil~~ the permittee.

XI-2.v. Standby Oil Spill Response During Tanker Loading

~~ExxonMobil~~ The permittee shall provide standby oil spill response capabilities, adequate for the risk posed by the terminal operation, aboard a vessel standing by during tanker loading operations. ~~ExxonMobil~~ The permittee may coordinate with Clean Seas or other such companies in satisfying this condition. To the extent feasible, this equipment may be carried aboard other support vessels required during normal operations.

XI-2.w. Responsibility for Oil Spill Clean-Up and Resource Restoration

In the event of an accidental spill of crude oil or gas products processed at facilities constructed pursuant to this Development Plan, ~~ExxonMobil~~ Sable shall immediately implement the provisions of its federal, state, and County-approved spill contingency containment and clean-up plans. If any area is disturbed within Santa Barbara County, ~~ExxonMobil~~ Sable will immediately restore and revegetate the area pursuant to procedures identified in the revegetation plan approved by the Director of the Planning and Development Department (Condition XIV-3). ~~ExxonMobil~~ Sable shall be responsible for the cleanup of all affected coastal and onshore resources, and for the successful restoration of all affected areas and resources to pre-spill conditions. Subject to applicable law, ~~ExxonMobil~~ Sable shall be

responsible for cleanup of any spills caused by other parties in service to ~~ExxonMobil~~ Sable at the time of the spill.

~~ExxonMobil~~ Sable shall provide the County with copies of its Certificates of Financial Responsibility related to its offshore Santa Barbara operations previously filed with the U.S. Coast Guard. Prior to operations at any proposed facilities, ~~ExxonMobil~~ Sable shall demonstrate to the County that ~~ExxonMobil~~ Sable and all users of its facilities are in compliance with any ordinance which requires all operators and users of marine terminals located in the County to produce evidence of sufficient financial responsibility. Demonstration of financial responsibility shall include, but not be limited to, Certificates of Insurance to the Board of Supervisors for the clean-up of oil spills or other petroleum products offshore Santa Barbara County. The Board of Supervisors shall consult with applicable State agencies, the U.S. Coast Guard, U.S. Fish and Wildlife Service and the Federal Minerals Management Service in developing such ordinance.

XI-2.x. Contribution to Study on Coastal and Marine Fire Protection and Vessel Safety

~~ExxonMobil~~ The permittee shall contribute on a pro rata and equitable basis to a regional study on petroleum related coastal and marine fire protection and vessel safety. ~~ExxonMobil~~ The permittee shall cooperate on an equitable basis to implement any generally applicable duly enacted marine fire protection and/or vessel safety ordinance or regulation adopted by the Board of Supervisors or U.S. Coast Guard or relevant jurisdiction.

XI-3. ~~ExxonMobil~~ to Submit Final Process Hazard Analysis to SSRRC

~~ExxonMobil~~ The permittee shall submit a Final Process Hazard Analysis (PHA) of all components of the Synergy Project to the County System Safety and Reliability Review Committee (SSRRC) for review and comment at least 60 days prior to startup. All mitigation recommendations resulting from the PHA shall be reconciled with the final design and operating procedures and agreed to by the SSRRC.

XI-4. ~~ExxonMobil~~ to Submit Final Synergy Project Design To SSRRC

~~ExxonMobil~~ The permittee shall provide final design deliverables that document the interdependence between the facilities (POPCO and ~~ExxonMobil~~ SYU) to the SSRRC for review and comment prior to startup. The documents shall include the following:

- Final Piping and Instrumentation Diagrams (P&IDs) showing operating controls;
- Maintenance program changes for the new or modified systems;
- Process controls philosophy for POPCO and ~~ExxonMobil~~ SYU Distributed Control Systems;
- Cause/Effect logic for emergency shutdown of each individual feed (or systems) in case of an upset;

- Corrosion inspection data for turndown contactor which has been out of service;
- Confirmation of the equipment sizing basis to handle increased throughput at POPCO SRU and ~~Exxon~~ SYU TGPU;
- Preparation of operating and commissioning procedures; and,
- Operator training and cross training.

XI-5. ~~ExxonMobil~~ to Submit Final P&IDs to SSRRC

~~ExxonMobil~~ The permittee shall submit final P&IDs to the SSRRC and receive SSRRC approval via an as-built check prior to startup of the ~~ExxonMobil~~ SYU/POPCO Synergy project.

XI-6. Critical Operations and Curtailment Plan

~~ExxonMobil~~ The permittee 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 power cable installation and removal operations. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project.)*

XI-7. Cable Release Prevention Plan

~~ExxonMobil~~ The permittee 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. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project.)*

XII. AIR QUALITY PROTECTION

XII-1. Statement of Scope

Nothing contained herein shall be construed to permit a violation of any applicable air pollution law, rule, or regulation.

XII-2. Authority to Construct

Prior to initiation of construction, including grading, of any facilities approved pursuant to this Development Plan, ~~ExxonMobil~~ the permittee shall obtain an Authority to Construct from the County Air Pollution Control District.

XII-3.a. Consolidation Air Quality Monitoring

Prior to approval of Final Development Plan, ~~ExxonMobil~~ the permittee shall file a plan with the Director of the Planning and Development Department, approved by the Air Pollution Control Officer demonstrating that no portion of the SYU Project, including but not limited to, any marine terminal facilities, construction emissions or any other constituent facilities, alone or in combination with other sources, will preclude future consolidation in Las Flores and Corral Canyons. The plan shall be based on the results of APCD approved air quality modeling of a maximum feasible consolidation plan. This consolidation plan should include at least 210 KBOD oil treating, 200 MSCFD gas treating (including stripping gas treatment plant(s)), oil storage of 1.2 MB, tanker loading at the marine terminal, construction emissions, proposed offshore platforms in Federal and state waters, marine vessels, and cogeneration facility, and shall demonstrate that these facilities will not individually or in conjunction with any other sources result in violation of any applicable air quality standard, regulation or increment. If modeling indicates that any portion of the proposed SYU project would preclude future consolidation of facilities in the Canyon at the levels expressed above, no portion of the project as described herein shall be constructed until additional mitigation measures or changes are included in the project design such that planned consolidation of facilities are no longer projected to cause non-compliance with any of the provisions of this condition. Any air quality modeling required to meet this condition shall be approved by the Director of the Planning and Development Department and the County Air Pollution Control Officer. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-3.b. NO_x and HC Mitigations and Compliance with AQAP

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall demonstrate to the County and APCD that all NO_x and HC emissions associated with the construction and operation of the ~~ExxonMobil~~ SYU project, to the extent they adversely affect onshore air quality (including emissions from platforms, tankers, crew and supply boats and onshore facilities), are fully mitigated and allowable emissions (as defined at 40 CFR 51.165.a.1) both onshore and in State waters are offset as applicable according to APCD rules so as to maintain compliance with the reasonable further progress provisions of the Santa Barbara County Air Quality Attainment Plan and result in a net air quality benefit to the County. Total offsets for operations shall be equal to or greater than entire source emissions including OCS sources.

XII-4. Facility Shall Emit No Detectable Odor

All facilities shall be designed, constructed, operated and maintained such that no odor from facilities approved under this Development Plan shall be detectable at any point along or outside the exterior boundary of the ~~ExxonMobil~~ SYU property.

XII-5. Construction Curtailment Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Director of the Planning and Development Department, the Planning Commission, and the Air Pollution Control Officer for approval a plan to mitigate construction air quality impacts to the maximum extent feasible. The Plan shall discuss the following mitigation measures contained in the EIS/EIR and Supplements:

Phase onshore and tidelands construction activities;

Schedule peak construction emissions to occur during the non-ozone season as determined by the Air Pollution Control Officer;

Minimize peak NO_x emissions through reduction of intensity of diesel construction equipment activities in each active construction area;

Use construction equipment with lower NO_x emissions than those contained in publication AP-42 and used to assess construction impacts;

Control the area to be worked on each day to minimize unnecessary disturbance and reduce dust formation;

Restrict public access to areas immediately southwest of ~~ExxonMobil's~~ the SYU property where exceedances have been predicted;

Obtain NO_x and hydrocarbon offsets from other sources in the area approaching the peak quarterly offsets required for the project's operations phase.

~~ExxonMobil~~ The permittee shall fund a program to test the feasibility and/or effectiveness of emissions reduction measures applicable to construction or other mobile sources.

In addition to the measures above, ~~ExxonMobil~~ the permittee shall develop a curtailment plan to be approved by the Air Pollution Control Officer for construction activities within APCD jurisdiction and filed with the Director of the Planning and Development Department prior to issuance of the Land Use Permit for grading. At any time, if onshore air quality monitors within the jurisdiction of the APCD, as determined by APCD, indicate an imminent violation of any applicable air quality standard or regulation, ~~ExxonMobil~~ the permittee shall implement the appropriate air pollution curtailment plan as directed by the Air Pollution Control Officer.

XII-6. Ambient Air Quality Monitoring Stations

~~ExxonMobil~~ The permittee shall install and initiate operations of air quality monitoring stations in numbers and locations as specified by the Air Pollution Control Officer prior to any activities being conducted under any land use permits issued for this project. These monitors shall be installed to examine onshore effects of: tanker loading emissions, Las Flores Canyon facilities emissions, acid fog on nearby agricultural operations and humans, and regional

ozone impacts and shall be equipped with remote high level alarms and recorders. ExxonMobil shall install telemetry or modem connections and terminals within the offices of the Air Pollution Control District such that ambient air quality levels can be monitored at the APCD.

~~ExxonMobil~~ The permittee shall provide funds to the District or a designated agent within thirty (30) days of receipt of a written request for same, for a pro-rata share of the costs incurred by the District for the purchase, installation, operation and maintenance of a central data acquisition system to be located at the District office. The central data acquisition system will be designed to handle anticipated incoming monitoring data from this project and other proposed oil and gas projects. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-7. Air Pollution Episode Plan

Prior to approval of the Land Use Permit for the Oil Processing Facility construction, ~~ExxonMobil~~ the permittee shall file with the Director of the Planning and Development Department, an air pollution episode plan for the operations phase of the project which has been approved by the Air Pollution Control Officer. The plan should address both regional ozone levels and local inert pollutant concentrations as required by the APCD regulations. The plan shall describe procedures ~~ExxonMobil~~ the permittee shall take to reduce emissions during an air pollution episode as defined by APCD Rule 602.B.1. The episode plan shall cover sources only within the jurisdiction of the APCD and shall be prepared consistent with the requirements of APCD Rule 603.

XII-8. Implementation of Curtailment Plan

~~ExxonMobil~~ The permittee shall implement mitigation measures for reducing operations phase inert pollutant emissions as follows:

Do not test-fire platform and onshore diesel standby engines when a tanker is moored at the SALM;

Do not load tankers when marine terminal vapor balance-line is not operating pursuant to Condition XII-9;

Use District-approved Inspection and Maintenance Program to limit fugitive HC emissions from valves, pumps, compressors, and other process components for onshore and offshore (excluding OCS) facilities;

Use 41 or 52 KDWT steam driven tankers, or emissions equivalent vessels. Vessels with lesser or equivalent emissions for all pollutants than those vessels shown as acceptable in the above referenced documents are allowed as well. Other vessels may be allowed if approved by the County Planning Commission as in substantial

conformance based on APCD approved modeling which shows no standards violations;

Reduce tanker emissions through any or all of the following measures: hull modifications (such as increased efficiency of propellers or low friction hull coatings), on-board power plant modifications (such as low NO_x burners), and modifications of vessel operations (such as lower vessel speeds in state waters);

Installation of feasible controls on onshore facilities to minimize emissions of particulate matter during production to the extent these controls do not substantially increase NO_x or RHC emissions;

Support vessels will use 0.25 percent or lower sulfur fuel while in waters off the coast of Santa Barbara County. Tankers using the marine terminal will use 0.25 percent or lower sulfur fuel in waters off the coast of Santa Barbara County and shoreward of the vessel separation corridors;

Achieve feasible NO_x reductions on crew, supply and assist boats (through such techniques as injection timing retard, seawater intercooled turbochargers, and alternative fuels use or other methods demonstrated in relevant studies) so that emissions are no greater than 9.0 grams of NO_x per horsepower-hour at full power;

To the extent feasible use helicopters instead of crewboats for standard operations;

Optimize vessel use to reduce emissions;

Do not allow two tankers utilizing the terminal to operate simultaneously within APCD jurisdiction.

~~ExxonMobil~~ The permittee shall demonstrate compliance with this condition through a plan required prior to approval of the Final Development Plan. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-9. Vapor Control System

To mitigate significant impacts identified in the 1986 Supplement to #83-EIR-22, the marine terminal shall include and utilize a vapor control system to reduce marine vessel loading and storage tank emissions to a level such that the total hydrocarbons emitted by the system remains below the level (4.71 pounds per hour) in the worst case hour and which has been offset according to the Authority to Construct permit. Because the control efficiency assumed in the SEIR has not been demonstrated in practice, verification of the efficiency and actual emission rate of the system (including vapor collection, recovery and combustion) must be demonstrated during the initial tanker loading operations using a combination of source testing and/or tracer gas analyses as approved by the District. The procedures used to demonstrate

the vapor control system efficiency must be approved by the APCD prior to the first tanker loading. The demonstration program will be of sufficient duration as determined by the APCD to demonstrate that the system can operate in compliance with the claimed control of 99.8 percent efficiency in ~~ExxonMobil's~~ the Revised Preliminary Development Plan.

The vapor control system, including pressure/vacuum valves, loading and return lines, and other potential sources of emissions, shall be inspected for proper operation prior to each loading. An orderly shutdown of loading operations shall commence if the vapor control system fails to operate at the level described above, unless necessary variances have been, or an emergency variance can be, obtained from the District Hearing Board. Efficiency of the system shall be demonstrated to the reasonable satisfaction of the APCD each quarter using a combination of continuous emissions monitors, source tests, and/or tracer gas analyses. Quarterly inspection reports will be provided to the APCD within 30 days after the end of each calendar quarter.

If the District determines, based on results from quarterly system efficiency demonstrations, that the system is operating at the required efficiency, the District may reduce the required inspection frequency to semi-annual or annual basis. If ~~ExxonMobil~~ the permittee is unable to demonstrate the continuous operation of the vapor control system at the levels described above, ~~ExxonMobil~~ the permittee shall provide offsets for the increased emissions determined by the APCD through the testing described above. More than three variances in any 90-day period, or the granting of variances for ten operation-days within any 90 day period, shall constitute a rebuttable presumption of failure to operate the vapor control system at the required level.

In the event of the occurrence described above, ~~ExxonMobil~~ the permittee shall apply to the APCD Hearing Board for a determination whether the vapor control system can reasonably be expected to operate at the claimed efficiency level (99.8%) for the next quarterly period. The Hearing Board's determination shall be reviewed by the Director of the Planning and Development Department, and shall be presented to the Planning Commission upon the Commission's request. The Hearing Board's determination shall be considered as evidence in any decision as to whether additional mitigations should be required. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-10. DELETED

XII-11. Validation Information

Prior to approval of the Final Development Plan, and within 45 days after the end of each semi-annual period during operations, ~~ExxonMobil~~ the permittee shall submit to the Department of Resource Management and APCD written statements certifying the type and size of tankers and support boats used in SYU operations during the previous 6 months and estimates of the anticipated use during the next 6 months. The information shall also include the estimated operating schedules, frequency and duration of port calls and other information

as required by APCD to the extent permitted by law, to validate the accuracy of project data used in the 1986 Supplement to #83-EIR-22 air emissions modeling and used as the basis of permit issuance. The County may require validation and updating of this information as needed.

Should this information reveal significant differences between the estimated air emissions and those analyzed in the 1986 Supplement to #83-EIR-22, the APCD and County shall modify air quality permit conditions as necessary to assure consistency with the Air Quality Attainment Plan, Reasonable Further Progress goals and APCD rules or regulations. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-12. DELETED

XII-13. DELETED

XII-14. DELETED

XII-15. DELETED

XII-16. Demonstration of Monitoring Devices and Records to the APCD

~~ExxonMobil~~ The permittee shall include adequate facilities monitoring devices and shall keep adequate records and shall demonstrate to the satisfaction of the APCD that the project within APCD jurisdiction is being operated consistent with the emissions assumptions in the 1986 Supplement to 83-EIR-22. The number and types of monitoring devices and the reporting format, contents, and timing of these submittals shall be approved by the APCD prior to issuance of the Land Use Permit for construction of the oil processing facilities.

XII-17. Air Quality Standards Compliance Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit a plan to the Planning and Development Department, approved by the APCD, which demonstrates, using APCD approved methodology, that emissions due to operation or dismantling of the OS&T and SALM, in conjunction with project emissions and other existing source emissions, do not result in the violation of any air quality standard or entire increment as defined in APCD Rule 205(c), and do not interfere with reasonable further progress toward attainment of air quality standards. To the extent that simultaneous emissions occur from OS&T and SYU onshore oil and gas processing and marine terminal facilities beyond 90 days after initial start-up of those facilities, unless appropriate variance(s) can be obtained from APCD Hearing Board, adequate offsets and/or mitigations shall be provided for the increased emissions due to these simultaneous operations. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-18. Air Quality Required Offsets

All permitted emissions of ROC and SO_x in ATC #10351 (~~ExxonMobil~~ SYU/POPCO Synergy Project) are required to be fully offset at a minimum ratio of 1.2 to 1.0 and to show a net air quality benefit according to APCD Rules and Regulations. The project also implements Best Available Control Technology (BACT) on all existing and proposed emission units. MONITORING: The offsets and use of BACT would be enforced through the APCD permit conditions. BACT would consist of (a) the use of a low-NO_x burner and thermal DeNO_x for the waste gas incinerator and (b) the use of low emission valves and tighter leak standards (100 ppmv) for piping components in reactive organic hydrocarbon service.

XII-19. Dust Generation Control

Dust generated by onshore construction or other development activities shall be kept to a minimum with a goal of retaining dust on site. The dust control measures listed below shall be followed.

- 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 to create a crust after each day's activities cease.
- b. During onshore construction of the Synergy Project and/or the OPSR:A Project, water trucks shall be used as necessary to keep all areas of vehicle movement damp enough to minimize dust 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. Increased watering frequency should be required whenever the wind speed exceeds 15 mph. Reclaimed water should be used whenever possible. Plan Requirements: This condition shall be conveyed to all applicable contractors in construction contracts.

MONITORING: EQAP monitor to spot check in the field.

(Modified February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)

In addition to all other applicable conditions of the SYU FDP, the following new air quality permit conditions (XII-20 – XII-24) apply specifically to the implementation of the Power Cable Project as approved by Santa Barbara County on February 19, 2003.

XII-20. Emissions Reporting Plan

~~ExxonMobil~~ The permittee 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.

MONITORING: The Emissions Reporting Plan shall be submitted to and reviewed by the MMS and SBCAPCD.

XII-21. Fuel Use Summary

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.

MONITORING: The Fuel Use Summary shall be submitted to the MMS and SBCAPCD for review.

XII-22. Fuel Sulfur Requirement

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.

MONITORING: The sulfur content of fuel shall be monitored by the MMS and SBCAPCD.

XII-23. Innovative Technology Fund

The applicant shall contribute financial support to the SBCAPCD Innovative Technology Fund to compensate for any emission potential over 240 lbs. NO_x per day associated with the retrieval of failed Cable C to the shelf break.

MONITORING: The SBCAPCD shall monitor emissions potential and require contribution from ~~ExxonMobil~~ the permittee as appropriate.

XII-24. Emissions Contingency Plan

~~ExxonMobil~~ The permittee shall prepare a contingency plan prior to power 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.

XIII. CULTURAL RESOURCES MANAGEMENT

XIII-1. Cultural Resources Mitigation Plan

Prior to initiation of construction, ~~ExxonMobil~~ the permittee shall file with the Director of the Planning and Development Department (P&D), a Cultural Resources Management Plan, approved by the Planning and Development Department and the State Office of Historic Preservation. The plan shall meet the requirements of 36 CFR Parts 60 and 800, Appendix K of CEQA, and the County Prehistoric Archaeological Guidelines and shall include those mitigations identified in the project FEIS/R and Supplements. Implementation of the Plan shall proceed on an expeditious and effective schedule in order to avoid or minimize conflicts with other construction scheduling requirements delineated in other permit conditions contained herein. The main components of the Cultural Resources Management Plan shall include:

- a. Procedures for avoidance of known sites wherever feasible and test excavations of known sites that cannot be avoided. These test excavations will assess the importance of each site according to CEQA Appendix K criteria and other established regulatory requirements and, where necessary, will recommend appropriate data recovery as a mitigation measure. Additional subsurface sampling (use of shovel test pits) shall be used in defined sensitive areas which will be affected by project construction to confirm the presence/absence of previously unknown (undiscovered) sites. Any new sites found shall be treated as per this condition. In any case, subsurface testing shall be performed in the Fire Pit site identified in the FEIS/R and Supplements.
- b. Following the determination of site importance, ~~ExxonMobil~~ the permittee shall inform the Planning and Development Department of the methods to be used for significant site avoidance. For those significant sites not avoided, the consulting archaeologist shall, in consultation with the Native American community, prepare site-specific mitigation (excavation/data recovery) plans in accordance with applicable state, federal and/or County guidelines;
- c. Implementation and completion of the field work aspects of the site-specific mitigation plans prior to construction in the vicinity of the resource.

- d. Demonstration of ~~ExxonMobil's~~ the permittee's commitment to implement all required mitigation measures, including those developed through continued consultation with Native American representatives and the County.
- e. Provisions for participation of the archaeologist selected as per condition XIII-2 below and adequate Native American representation throughout any excavation or construction-related disturbance activities, recovery of sites, and disposition of artifacts.
- f. Procedures that demonstrate, to the satisfaction of the Planning and Development Department and the archaeologist identified through condition XIII-2 below, that the potential impacts associated with capping site SBa-1733 and the Ortega Adobe site with 12 feet of fill will mitigate impacts to these cultural resources to the maximum extent feasible. These procedures shall consider, at a minimum, the use of archaeologically sterile soil for capping and the use of contrasting buffers (i.e., a layer of soil darker or lighter than the fill material) to identify the existing ground level to facilitate future research efforts.

All testing and mitigation costs shall be funded by ~~ExxonMobil~~ the permittee. All construction activity shall be performed in accordance with the approved plan.

XIII-2.Archaeologist on As-Needed Basis

Prior to initiation of construction-related activities, a qualified archaeologist shall be approved by the County Planning and Development Department, in consultation with Native American Representatives. If feasible, the archaeologist's services shall be incorporated into the EQAP, as detailed in condition III-1 to avoid duplication of effort. The archaeologist shall be available on an as-needed basis through the completion of construction activities. The archaeologist shall be funded by ~~ExxonMobil~~ the permittee and shall be responsible to the County Planning and Development Department as outlined in the EQAP. Compensation shall cover all excavation, analysis, and report preparation for all areas investigated, including those found during construction.

XIII-3.Pipeline Contractors and Native American Consultants Workshop

Prior to pipeline installation activities, ~~ExxonMobil~~ the permittee shall sponsor a workshop for its pipeline contractors and Native American consultants to review and explain the mutual concerns and activities of the parties during pipeline installation work.

XIII-4.Curation and Ownership of Non-Burial Associated Artifacts

If non-burial associated cultural resource artifacts are recovered during construction (the location of such artifacts being unknown prior to construction), the curation of the artifacts shall be carried out as per approved County guidelines. Upon the determination of the origin

of the materials, the Native American Community shall have the first option for ownership of the artifacts.

XIII-5.Burials

If burials or burial associated artifacts are found during construction (that were unknown prior to excavation) and cannot be avoided, further excavation or disturbance in the area of the resource shall be suspended. ~~ExxonMobil~~ the permittee, in conjunction with the Native American representatives and the Planning and Development Department, shall adhere to the guidelines in CEQA Appendix K and the County Archaeological Guidelines prior to continued construction activity in the area of the resource.

XIII-6.Funding for Chumash

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall agree to contribute necessary funds to programs developed by affected Chumash bands in consultation with the County archaeologist and approved by the Planning and Development Department, which lessen unavoidable, significant impacts to cultural resources due to the Santa Ynez Unit project. Funding shall be determined jointly by ~~ExxonMobil~~ the permittee, the Planning and Development Department, and those affected Chumash bands. Should ~~ExxonMobil~~ the permittee wish to receive credit for funds paid to Chumash bands by any other mechanism, (e.g., monitoring, curation, etc.), or funds spent on alternative mitigations, the Planning and Development Department in consultation with affected Chumash bands, must find prior to approval of such credit that such funds are being used to lessen unavoidable, significant impacts to cultural resources. The contribution shall be made no later than at the completion of site development.

XIII-7.Additional Cultural Resource Mitigation Measures

In addition to the onshore cultural resource mitigation measures identified above, the following measures shall be implemented for the Offshore Power Cable Repair and Enhancement Project;

1. All onshore construction plans shall clearly state that excavation shall be limited to 5 feet below ground surface and to 3 feet below the cable entry point at the tunnel north wall for a distance of approximately 25 feet north of the wall. Evidence of compliance with this mitigation measure shall be documented prior to land use clearance and monitored by the County's EQAP Monitor or County Staff in the field.
2. If potential cultural material is encountered during excavation, work shall be halted until a Planning and Development-qualified archaeologist and Native American representative are consulted. Protection of archaeologically significant material shall be in accordance with County Guidelines.
3. A pre-construction meeting shall be organized to educate onsite construction personnel as to the sensitivity of archaeological resources in the area. ~~ExxonMobil~~ The permittee's

personnel shall instruct all construction and project personnel to avoid removing cultural materials from the property. Evidence of compliance with this mitigation measure shall be documented prior to land use clearance. Agency personnel shall be invited to attend the meeting.

XIII-8. Offshore Cultural Resource Mitigation Measures

As part of the project description for the Offshore Power Cable Repair and Enhancement Project, ~~Exxon~~ the permittee has agreed to implement the following measures to protect potential offshore cultural resources during cable removal and installation procedures:

1. Require contractors to avoid potential *offshore* cultural resources by a 300 feet (90 m) radius to the extent possible during all offshore construction activities. This protective zone is to account for routine uncertainties in using remote sensors to precisely locate potential cultural resources in deep waters.
2. Provide all vessel operators working in these areas with the coordinates of the probable location of the potential sites and instruct them to remain outside of the 300 feet (90 m) protective zone. If complete avoidance of the zone is not possible, further investigations of the affected zone may be conducted through more intensive geophysical field surveys or ROV inspection. If further study indicates that the affected location is the remains of a shipwreck, the significance of the resource would be evaluated, and a mitigation plan would be developed, if appropriate.
3. Include a review of avoidance procedures for the cultural resource areas during the pre-construction environmental compliance meeting.
4. Utilize an ROV to monitor installation activities during cable laying operations in the areas of potential cultural resources. The ROV would allow real time monitoring and detection of potential cultural resources. If a potential cultural resource site is encountered during cable placement and removal operations, the operator would immediately notify the MMS.
5. The applicant shall immediately halt cable laying operations if a previously undetected cultural resource site that could be impacted by ongoing operations is discovered. After the applicant has notified MMS of the discovery, if investigations determine that the resource is significant, MMS shall inform the operator how to protect the resource.
6. ~~ExxonMobil~~ The permittee shall use an ROV equipped with a color-imaging sonar with a range of at least 300 feet (90 m) radius in polar-scanning mode to monitor cable placement and removal activities in the area of potential cultural resource no. 3. If a previously undetected resource site is discovered, then # 8, below applies. In the event that the cable needs to be laid outside of the previously surveyed area, ~~ExxonMobil~~ the permittee shall use the ROV to identify potential cultural resources prior to installation. If a previously undetected resource site is discovered, then #8, below applies.

~~ExxonMobil~~ The permittee shall arrange for responsible agencies to attend a meeting with the cablelaying contractor ship's captain to review cultural site avoidance procedures prior to commencing cablelaying activities.

7. The MMS and/or SLC retain the option for inspectors to be present on a vessel at the sites to ensure that proper cablelaying and removal procedures are conducted.
8. If a previously undetected resource site is discovered, the applicant shall immediately notify MMS and California State Lands Commission and avoid the site. If the resource site is unavoidable, the applicant shall immediately halt cablelay or removal operations and perform an investigation, according to MMS/SLC instructions, to assess whether the site is significant. If the site is significant, the MMS/CSLC shall inform the applicant how to protect the resource. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XIV. BIOLOGICAL AND VEGETATION PROTECTION

XIV-1. Pre-Construction Baseline Survey and Post-Construction Survey

Prior to issuance of the Final Development Plan, qualified biologist(s) selected by and under contract to the County shall, at ~~ExxonMobil's~~ the permittee's expense, perform a baseline survey of the areas of the property outside of the construction zones defined on a plan approved by the County Director of Planning and Development Department, to determine the pre-construction condition of the flora, fauna and habitats on the property. The kelp beds in the vicinity of the ocean outfall shall be evaluated through current and historical records, including aerial photographs. The biologist shall submit to the Director of the Planning and Development Department and to ~~ExxonMobil~~ the permittee a written report describing baseline conditions, with aerial photographs.

After construction and prior to operation of the facilities, a second survey will be conducted at ~~ExxonMobil's~~ the permittee's expense, to determine the then existing condition of the flora, fauna, and habitats (including kelp beds). Aerial photography, including stereo color and infra-red, shall be required at this time. Another report, similar in content to the pre-construction report, shall be submitted to the Director of the Planning and Development Department and to ~~ExxonMobil~~, the permittee describing any changes in natural conditions and identifying reasonable measures including feasible mitigation measures listed in the FEIS/R and Supplements, and considering a natural recovery period, to repair or reduce any damage which has been caused by construction. ~~ExxonMobil~~ The permittee shall implement reasonable measures as directed by the Director of the Planning and Development Department.

During operation, annual surveys, including stereo color and infra-red photography when requested, shall be conducted and reports and photographs shall be submitted to the Director of the Planning and Development Department until temporarily suspended or deemed no

longer necessary by the Director of the Planning and Development Department. Sensitive air pollution indicator species shall be used as deemed necessary.

Prior to start-up, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a plan describing the format, content, procedures, and scheduling of the operational surveys and reports described above. This plan shall include provisions for requiring other users of ~~ExxonMobil's~~ the facilities or property in the canyon to contribute to the costs of the studies.

Prior to any power cable installation work adjacent to the conduit, ~~ExxonMobil~~ the permittee shall perform a pre-installation marine biological survey of the nearshore project area. 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. A final report shall be submitted to the responsible agencies within 30 days of completion of the pre-installation survey. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

~~ExxonMobil~~ The permittee shall, within 90-days of the completion of the Offshore Power Cable Repair 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XIV-2. Corral Creek Buffer Zone

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall, in consultation with the State Department of Fish and ~~Game~~ Wildlife, the California Regional Water Quality Control Board, and the Director of the Planning and Development Department, establish a buffer zone along Corral Creek in order to protect the biological productivity and water quality of the stream. The buffer zone shall include all riparian vegetation and shall be established in consideration of soil type and stability, how surface water filters into the ground, slope adjacent to the stream, and location of the 100-year flood plain boundary.

This buffer zone shall constitute a minimum setback from Corral Creek within which no development, other than roads, pipeline crossings and drainage structures shall occur. During construction, this area shall be fenced to prevent disturbance.

XIV-3. Revegetation, Weed Control, and Erosion Control Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a Revegetation, Weed Control and

Erosion Control Plan, which implements the procedures identified in the FEIS/R and Supplements, and includes:

- a) Provisions to minimize Santa Ynez Unit project impacts to riparian, oak woodland, and chaparral vegetation particularly at the Corral Creek crossings and above the Vaqueros/Rincon contact;
- b) Provisions to revegetate all temporarily disturbed areas, using locally obtained native plant material obtained from the area being revegetated or immediately adjacent to this area;
- c) Provisions to restore riparian habitat areas which have been permanently changed to another use as a result of the project on a two-to-one ratio based on area, either onsite or offsite;
- d) Procedures for replacing all trees necessarily removed due to the Santa Ynez Unit project development with similar plants propagated from the plants removed, or those of the same species that are immediately adjacent to these plants;
- e) Implementation, maintenance and monitoring procedures and schedules;
- f) Criteria for assessing successful revegetation and restoration efforts.

The plan submitted prior to approval of the Final Development Plan need not include great detail on the items listed above, but must include a schedule for compliance with the more detailed aspects of the plan.

XIV-4.Determination of Additional Mitigation Measures by Planning and Development Department

At any time, if the Director of the Planning and Development Department determines that additional reasonable measures should be taken by ~~ExxonMobil~~ the permittee to mitigate significant avoidable detrimental effects to the flora and fauna of the property, ~~ExxonMobil~~ The permittee shall, at its own expense, implement those measures.

XIV-5.Creek Road Crossings - Fish and Wildlife Movement

Corral Creek and Las Flores Creek road crossings shall provide for wildlife movements along the creek. The crossings shall also provide for fish movements if deemed necessary by the California Department of Fish and ~~Game~~ Wildlife. (Modified December 3, 1994)

XIV-6.Additional Block Valves at Creek Crossings

Additional block valves at stream crossings shall be installed as deemed necessary by the Director of the Planning and Development Department and the SS&RR Committee on the basis of the FEIS/R and Supplements analyses.

XIV-7a. Marine Biology Impact Reduction Plan

Prior to approval of any Coastal Development Permits for nearshore or offshore activities, ExxonMobil shall submit and obtain approval of a site-specific Marine Biology Impact Reduction Plan to mitigate impacts to biologically important marine resources due to offshore construction as identified in the FEIS/R and supplements. The plan shall be approved by a committee consisting of representatives from the California Coastal Commission, the California Department of Fish and ~~Game~~ Wildlife and the County Planning and Development Department.

The plan shall consist of procedures to determine the location of important biological resources, such as hard bottom habitats, and options to avoid these resources, including minimizing construction corridor width and bundling of pipelines. It shall also include measures designed to minimize turbidity and its associated impacts. The plan shall also include a construction schedule designed to avoid harbor seal breeding, whale migration, and critical kelp harvest seasons.

Based on the Marine Biology Impact Reduction Plan, the County may require ~~ExxonMobil~~ the permittee to perform a post-construction survey to determine the actual impact of construction on marine resources. The survey would be specific to those areas where particular habitats were to be avoided during construction, as detailed in the Marine Biology Impact Reduction Plan. Side-scan sonar surveys would be accepted for this purpose unless the areas to be investigated render such surveys inappropriate. If required, the results of this survey shall be submitted to the Planning and Development Department within one year of the completion of offshore construction activities.

Should the post-construction survey be required, compensation may be deemed necessary to mitigate impacts resulting from construction activities which are over and above those anticipated by the Marine Biology Impact Reduction Plan. The compensation, if required, shall be determined by the County upon consultation with the California Coastal Commission and the California Department of Fish and ~~Game~~ Wildlife based upon the results of the post-construction survey.

XIV-7b. Marine Mammal Monitoring Plan

~~ExxonMobil~~ The permittee shall implement an agency-approved Marine Mammal Monitoring Plan (MMMP) during cable retrieval and installation activities. The MMMP shall include the following elements:

1. 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.
2. 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.
3. The observers shall have the appropriate safety and monitoring equipment to conduct their activities (including night-vision equipment).
4. 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.
5. ~~ExxonMobil~~ The permittee 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.
6. 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~~ the permittee's project management shall be responsible for ensuring that the OPSR MMMP is implemented.
7. 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 MMMP 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.

XIV-8. Vessel Corridor Marking Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Planning and Development Department for approval a plan for marking corridors through the kelp beds and fishing areas in the vicinity of any piers or fishing grounds in Santa Barbara County to be used during the construction and operation phases of the project. Size of the corridors shall be minimized to reduce kelp and fishing area impacts. Any project related boat using these piers shall use the corridors to cross the kelp beds and fishing areas. This plan

shall be prepared in conjunction with and in compliance with an overall industry-wide offshore oil service vessel traffic lane program with monitoring via the Oil/Fisheries Liaison Office.

~~ExxonMobil~~ The permittee shall cooperate with the Santa Barbara Channel Vessel Traffic Corridor program as set forth by the Joint Committee of oil industries and commercial fisheries representatives. The corridors shall be reduced to 150 ft. in width through historical kelp bed resource areas as identified in the FEIS/R. ~~ExxonMobil~~ The permittee shall demonstrate, upon demand from the County, that the beds beyond the 150-foot corridor remain intact. County may impose additional restrictions on vessel traffic to protect the kelp beds, if the corridor is not maintained.

XIV-9. Construction Corridor Limits

~~ExxonMobil~~ The permittee shall limit the width of the construction disturbance corridor through all riparian habitats to the extent feasible. In Environmentally Sensitive Habitats or other areas where trees or other habitats, including but not limited to lower Corral Creek, are to be avoided within the approved corridor, ~~ExxonMobil~~ the permittee shall ensure contractor compliance with this condition by marking and/or fencing those areas to be avoided. All vehicular traffic, storage of equipment and excessive foot traffic associated with construction within the sensitive habitat but outside the ROW shall be prohibited, except for ingress and egress along the access road. The construction ROW shall be routed to avoid trees to the maximum extent feasible. When this is not possible, dying or diseased trees shall be removed preferentially over healthy trees. Where tree removal is unavoidable, ~~ExxonMobil~~ the permittee shall implement the procedures under the supervision of the monitoring biologist.

XIV-10. Prevention of Livestock in Riparian Corridors

~~ExxonMobil~~ Sable shall prevent domestic livestock from entering the riparian corridors on ~~ExxonMobil~~ SYU property, except at necessary designated crossings.

XIV-11. Above-Ground Pipeline Assessment

In order to reduce biological impacts to riparian trees and stream biota, ~~ExxonMobil~~ the permittee shall submit to the Planning and Development Department for approval prior to issuance of any Land Use Permits or Coastal Development Permits for pipeline construction an assessment of the advantages and disadvantages of installing all pipelines above-ground between Corral Creek crossings #2 and #3, as identified in the FEIS/R and Supplements. The pipeline corridor width shall be minimized through the use of techniques such as stacking the pipelines vertically. The Planning and Development Department shall specify the environmentally preferred alternative of pipeline construction, and shall permit that alternative subject to SS&RR Committee review.

XIV-12. Modification of Containment Structure at Corral Creek

In order to provide for the protection of marine resources in the event of a major onshore spill, ~~ExxonMobil~~ the permittee shall modify the existing containment structure at Corral Creek crossing #1 so as to reduce the time it takes to close the gate to five minutes or less, subject to review by the System Safety and Reliability Review Committee.

XIV-13. Blasting Limitations

Blasting associated with pipeline installation shall be avoided when rare/endangered seabirds or mammals or any cetaceans are in the vicinity of the blasting location. ~~ExxonMobil~~ The permittee and its contractors shall make every reasonable effort to determine the presence or absence of such species prior to blasting.

XIV-14. Sensitive Species Training

Onshore: ~~ExxonMobil~~ The permittee shall include awareness training for its contractors of the sensitive species located in Corral Creek. The training shall include a description of the species, protection status under the law, the potential range of movement, and what to do in the event one is found within the construction area. This training shall be incorporated into the pre-construction meeting(s) with construction personnel to perform the work. Agency representatives shall be invited to attend the meeting(s).

Offshore: ~~ExxonMobil~~ The permittee 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project).*

XIV-15. Dynamic Positioning Vessel

~~ExxonMobil~~ The permittee shall implement the Offshore Power Cable Repair and Enhancement Project using a dynamic positioning vessel to lay cables from shore to Platform Heritage and between Platforms Harmony and Hondo. *(Added February 19, 2003, Offshore Power Cable Repair & Enhancement Project.)*

XIV-16. Anchoring Plan

~~ExxonMobil~~ The permittee 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. **Plan Requirements:** The plan shall include:

1. A list all of the vessels that will anchor during the project and the number and size of anchors to be set;

2. 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 and that all anchors shall be set a minimum of 250 feet (75 meters) from active pipelines and power cables;
3. Descriptions of navigation equipment that would be used to ensure anchors are accurately set and of the anchor handling procedures that would be followed to prevent or minimize anchor dragging; and,
4. A requirement to be included in appropriate contracts for the Offshore Power Cable Repair Project that contractors shall, whenever feasible, use appropriate installation techniques and procedures described in the Anchoring Plan that will minimize or avoid environmental impacts such as turbidity and anchor scarring.
(Added February 19, 2003, Offshore Power Cable Repair & Enhancement Project.)

XIV-17. Additional Mitigation of Cable Laying Impacts

Along with the measures described in the Anchoring Plan required by Condition XIV-16 above, ~~ExxonMobil~~ the permittee shall avoid and/or minimize sediment disturbance and impacts to benthic resources and hard bottom habitat during implementation of the Offshore Power Cable Repair and Enhancement Project through adherence to the following measures:

1. ~~ExxonMobil~~ The permittee shall cast sand excavated at or near the conduit, via a hose, at least 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.
2. During the cable lay operations associated with the Offshore Power Cable Repair and Enhancement Project, ~~ExxonMobil~~ the permittee shall require contractors to utilize a remotely operated vehicle (ROV) to monitor and videotape selected portions of the installation activities. If the ROV observes a rocky outcrop, the ROV shall assist the DP vessel in adjusting its route to avoid such a feature, whenever it is feasible to do so. If previously unidentified hard-bottom areas are observed, the cable route shall be adjusted, as necessary and with agency approval, to avoid resources. Activities that shall be videotaped with a copy provided to the responsible agencies include cablelaying along the route approximately 4-5 miles (6.4-8 km) from shore, in approximately 250-500 feet (75-150 meter) water depth. Additional activities to be videotaped may be identified during project implementation by the appropriate regulatory agency.
3. ~~ExxonMobil~~ The permittee 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 ExxonMobil~~ the permittee shall ensure that the anchors or operations are adjusted, 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~~ the permittee's safety requirements.

4. ~~ExxonMobil~~ The permittee shall develop a restoration and restoration-monitoring plan within 90 days of the submission of the post-installation survey required by Condition XIV-1, 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 CDFGW 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.
5. ~~ExxonMobil~~ The permittee 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.
6. If a non-listed abalone(s) (red, black, pink or green) is detected within 75 feet of the conduit terminus during the time of the pre-installation marine biological survey, ~~ExxonMobil~~ the permittee shall contact NMFS and shall have a qualified biologist move the abalone pursuant to procedures reviewed and approved by MMS, NMFS, CDFGW, and SBC or the agencies with jurisdiction agree to another appropriate alternative.
7. ~~ExxonMobil~~ The permittee 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.
8. If a white abalone(s) is detected within 75 feet of the conduit terminus during the time of the pre-installation marine biological survey (see Condition XIV-1), ~~ExxonMobil~~ the permittee shall halt project activities in the nearshore area until any individual(s) have been relocated or the agencies with jurisdiction agree to another appropriate alternative.
9. ~~ExxonMobil~~ The permittee shall perform a pre-installation abalone survey of the nearshore project area within 14 days of any installation work near the

conduit. The scope and methodology of the survey shall be submitted for review and approval to SBC, SLC, MMS, CDFG and NMFS prior to implementation. If a white abalone is identified during the pre-construction survey, ~~ExxonMobil~~ the permittee shall contact NMFS immediately. Preliminary survey results shall identify all species (red, pink, black, green and white) in the nearshore area and be submitted to agencies prior to any installation work. The final report shall be submitted within 30 days of completion of the survey. *(Added February 19, 2003, Offshore Power Cable Repair & Enhancement Project.)*

XIV-18 Eelgrass Surveys and Methodologies

~~ExxonMobil~~ The permittee 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 the start of the OPSR project.

~~ExxonMobil~~ The permittee 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 project. The final report shall be submitted within 60 days of completion of the eelgrass post-installation survey.

~~ExxonMobil~~ The permittee shall submit copies of all surveys and/or mitigation plans to NOAA Fisheries. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project)*

XV. NOISE CONTROL

XV-1. Noise Monitoring and Control Plan

Prior to the approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall file with the Director of the Planning and Development Department a Noise Monitoring and Control Plan which has been approved previously by the Director of the Department of Health Care Services, the Director of the Planning and Development Department and the Director of Parks. The plan shall describe the best efforts ~~ExxonMobil~~ the permittee shall take to reduce the noise impacts of the project both during construction and operation of the project. The noise control program shall apply to project related activities onshore and offshore within the three mile limit including the vicinity of the El Capitan State Beach Park and the Ellwood Pier. The approved plan shall be implemented by ~~ExxonMobil~~ Sable and shall be followed until temporarily suspended or deemed no longer necessary by the Planning and Development Department. The plan shall include provisions to ensure that items 2 through 8 below are included: *(Modified May 4, 1994; II-2 Review)*

XV-2. Ambient Noise Survey

Prior to construction, noise monitors and recorders shall be installed at points along the shoreline of the El Capitan State Beach Park, at the landfall of the Ellwood Pier, at the property boundary, near UCSB and Goleta Beach, and at other points determined to be impacted by the Health Care Services Director. As other projects which add to the noise impacts associated with this project (e.g. other offshore oil projects), obtain permits from Santa Barbara County, they may be required to reimburse ~~ExxonMobil~~ the permittee on a pro-rata basis.

XV-3. Noise Level Limits

Except for motor vehicles and motorized construction equipment, all facilities shall be designed, constructed, operated and maintained such that sound levels do not exceed 70 dBA at or beyond the property line, as measured on the "A" weighted scale at slow response on approved sound level measuring instruments. The facility shall comply with all standards established in the Noise Element of the Comprehensive Plan and the Article III Zoning Ordinance. No residents shall be subjected to greater than a 9 dB increment above baseline ambient noise level. Noise level at the periphery of graded pads associated with the facilities shall not exceed, as feasible, 70 dBA to reduce impacts to wildlife. The best available technology, muffling equipment and landscaping measures shall be used to minimize noise impacts.

XV-4. Additional Noise Limits

During the construction and operation phases, project related noise at the El Capitan State Beach Park, the landfall of the Ellwood Pier, and any impacted persons within the vicinity of the pier or other points to be determined by the Health Care Services Director to be impacted shall be limited to 65 dBA between the hours of 7:00 a.m. and 10:00 p.m., and 50 dBA between the hours of 10:00 p.m. and 7:00 a.m., consistent with the County Noise Element and the Article III Zoning Ordinance. Blasting shall be limited to the hours between 7:00 a.m. and 7:00 p.m. and directional charges shall be used to minimize noise.

XV-5. Helicopter Noise Control and Overflight Routes

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Director of the Health Care Services Department and the Director of the Planning and Development Department procedures that ~~ExxonMobil~~ the permittee will take to minimize noise impacts from helicopters. The procedures, to be approved by Planning and Development Department, shall be developed in consultation with appropriate community groups and shall specify overflight routes to be taken to minimize noise impacts to the community and other feasible measures. ~~ExxonMobil~~ The permittee shall direct its contractors to abide by the helicopter procedures and shall take reasonable corrective action if complaints arise concerning the use of helicopters.

XV-6. Non-Radio Communication Restrictions

Non-radio communication audible to the general public shall not occur between the shore and project related offshore boats unless specifically required by law.

XV-7. Nighttime Restrictions

Where reasonable, as determined by the Director of Health Care Services and the Director of the Planning and Development Department, noise generating project activities shall be restricted between the hours of 10:00 p.m. and 7:00 a.m. If complaints arise concerning activities occurring during these hours, ~~ExxonMobil~~ the permittee shall take additional feasible steps to reduce the noise levels or further restrict the offending activity.

XV-8. Supply Boat Noise Control

Project related crew and supply boats shall not cause noise impacts along the Santa Barbara coastline. The noise control plan shall include vessel routes, and equipment commitments necessary to reduce noise impacts onshore.

XVI. GROUNDWATER MANAGEMENT

XVI-1. Groundwater Management Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall file with the Director of Planning and Development Department a Groundwater Management Plan approved by the Director of the Planning and Development Department and the Director of Health Care Services. The plan shall provide for baseline monitoring, including the establishment of safe yield of the watershed; construction and operation phase monitoring; establishment of pumpage limits, water table decline limits, and baseline water quality parameters; and a description of remedial actions which shall be taken by ~~ExxonMobil~~ Sable if the limits, parameters, or safe yield are exceeded.

The Groundwater Management Plan also shall include a determination, based on results from the monitoring program and streamflow measurements, of the degree to which groundwater withdrawals could reduce streamflow in Corral Creek due to induced infiltration. The Groundwater Management Plan shall include monitoring of wells and springs in Refugio Canyon, Corral Canyon, and the El Capitan area. A discussion of remedial actions shall include but will not be limited to the construction of recharge areas compatible with the surrounding habitat and the construction of a supplemental water system such as a desalination plant if determined to be necessary by the County. The County shall require appropriate remedial action in the event that safe yield is exceeded or projected to be exceeded or any groundwater levels are adversely affected.

XVI-2. Well Interference Study

Prior to approval of the Final Development Plan, a well interference study showing that the project proposed rate of water consumption will not have an adverse impact on wells on adjacent parcels shall be reviewed and approved by Environmental Health Services.

XVII. SURFACE WATER QUALITY MANAGEMENT

XVII-1. Surface Water Monitoring

Prior to approval of a Final Development Plan, ~~ExxonMobil~~ the permittee shall file with the Director of the Planning and Development Department a Surface Water Quality Management Program approved by the Director of the Planning and Development Department and Director of Health Care Services. The program shall provide for baseline water quality sampling and analysis prior to construction and plans for detecting the location and degree of project related chemical changes in water quality during both construction and operation of the project.

The program shall include scheduled measurements of sedimentation during the grading period and measurements thereafter of appropriate parameters, including sediment, based on the chemical characteristics of materials handled on site which enter surface waters by unauthorized release including but not limited to leach field seepage. All sampling and analysis shall be performed by an independent state certified analytical laboratory with hazardous waste testing capabilities. Sedimentation reports shall be submitted during the grading period and thereafter to the Director of the Planning and Development Department and Director of Health Care Services and to ~~ExxonMobil~~ the permittee. The program should describe what steps shall be taken if contaminant levels in Corral Creek rise above specified thresholds approved by Environmental Health Services and the Regional Water Quality Control Board, including immediate notification of the Director of the Planning and Development Department and Director of Health Care Services. ~~ExxonMobil~~ Sable shall demonstrate that they will comply with all regulations prohibiting the discharge of hazardous wastes.

XVII-2. Uncontaminated and Contaminated Water Discharge

Uncontaminated surface water which does not contact processing and storage facility areas, may be discharged directly into Corral Creek, subject to County Environmental Health Services and Regional Water Quality Control Board approval. Surface water which contacts processing and storage facility areas shall be treated to standards approved by the County Environmental Health Services and Regional Water Quality Control Board before being discharged into Corral Creek.

XVII-3. Future Pipeline Mitigation Plan

Prior to issuance of the Land Use Permit or Coastal Development Permit for pipeline installation, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a plan to minimize impacts associated with future pipeline construction in the Las

Flores Canyon area. At a minimum, the plan shall address the following possible methods to reduce impacts:

- a. arrangement of simultaneous construction or shadow construction with other companies;
- b. engineering of pipe placement within the onshore right of way to minimize incremental widening of the initial construction corridor during subsequent pipeline projects;
- c. completing corridor preparation work (e.g., blasting, installing pipe racks, installing stream-spanning structures) in such a manner as to accommodate future pipelines with minimum environmental disturbance;
- d. coordinating timing and design of revegetation plans to promote effective revegetation by minimizing unnecessary duplication of efforts.

Based on the results of this plan the Planning and Development Department may require that such techniques and mitigations be used.

XVII-4. Sewage Treatment Plant Assessment

In order to minimize the impacts of effluents in Corral Creek from the proposed leach field, prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Planning and Development Department for approval an assessment of the advantages and disadvantages of installing a small-scale sewage treatment plant onsite, and of moving the leach field to a location further south, in the mouth of Corral Canyon.

XVIII. OCEAN OUTFALL

XVIII-1. Deep Well Injection Feasibility Plan

Prior to the issuance of any Land Use Permit or Coastal Development Permit for pipeline installation, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a plan which discusses the feasibility of injecting produced water into onshore and/or offshore wells. Depending on the results of this study, the Planning and Development Department may require injection of produced water. If the Planning and Development Department does not require reinjection, then ~~ExxonMobil~~ the permittee may be required to redesign the diffuser and disposal facilities to increase initial dilution to the satisfaction of the Planning and Development Department.

XVIII-2. Ocean Water Quality

Offshore: ~~ExxonMobil~~ The permittee shall provide analytical 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 of the J-tubes.

Nearshore: ~~ExxonMobil~~ The permittee shall work with the Central Coast Regional Water Quality Control Board (CCRWQCB) by providing samples of the material within the nearshore conduit and, if required by the CCRWQCB, submit a Low Threat Permit application in order to receive permission to conduct conduit flushing operations. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XVIII-3. DELETED

XVIII-4. Ocean Discharge Monitoring

~~ExxonMobil~~ The permittee shall monitor the effluent from the ocean discharge in accordance with National Pollutant Discharge Elimination System (NPDES) permit requirements and a plan approved by the Director of the Planning and Development Department (P&D) to verify the modeling projections of dilution ratios and receiving water quality. ~~ExxonMobil~~ The permittee shall demonstrate to the satisfaction of the P&D through worst-case seasonal (winter) monitoring conducted prior to initial produced water discharge, after one year of operation discharge and, if directed by P&D, after three years of operation discharge under specified conditions within the natural range of oceanographic conditions, that the predicted dilutions of the redesigned outfall and disposal facilities were achieved. This plan shall be submitted to and receive approval from P&D and shall describe how water quality modeling projections will be verified. This plan, for both the pre- and post-discharge sampling, shall include but not be limited to a methodology for sampling the chemical and physical characteristics of effluent just prior to discharge, sampling receiving water quality at the projected mixing zone, sampling receiving water quality at least 1000 meters east and west of Platform Harmony, and determining physical oceanographic characteristics at the diffuser depths and all sampling sites. This model verification shall be a one-time assessment by ~~ExxonMobil~~ the permittee. ~~ExxonMobil~~ The permittee shall submit copies of all monitoring reports to P&D.

XIX. ABANDONMENT

XIX-1. Abandonment Procedures and Performance Bond

When averaged (arithmetic mean) operational throughput of oil and gas processing facilities, storage, or transportation facilities over any twelve (12) consecutive month period is at or below 3 percent of the maximum permitted operating capacity, the County shall review the permits at a duly noticed public hearing to determine if facility abandonment or facility modifications are appropriate, and if the site should be rezoned or redesignated in the Comprehensive Plan. If such a determination is made, ~~ExxonMobil-Sable~~ shall remove any and all abandoned facilities constructed under this permit, excavate any contaminated soil, recontour the site, and revegetate the site in accordance with a County approved Abandonment Plan within one year of such determination.

~~ExxonMobil~~ Sable shall post a performance bond or other security device acceptable to County Counsel to ensure compliance, or continue to pay property taxes as assessed during project operation until site restoration is complete, as determined by the County.

XIX-2 Offshore Power Cable Facilities Abandonment

~~ExxonMobil~~ The permittee shall remove the replacement power cables and other facilities installed as part of the Offshore Power Cable Repair and Enhancement Project and the remaining failed Cable C in their entirety at the end of the SYU project life. Application for removal shall be submitted to appropriate federal, state, and local agencies within one year of ceased production unless an extension is granted. Full cable removal shall occur within one year of obtaining discretionary permits unless an extension is granted.

As part of its facility-wide abandonment application at the end of the SYU life, ~~ExxonMobil~~ the permittee shall submit a Recycling Feasibility Analysis for agency review and approval for the cable installed in state waters and onshore during the Offshore Power Cable Repair and Enhancement Project. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

CONDITIONS OF APPROVAL

**POPCO GAS PLANT EXPANSION
Final Development Plan (93-FDP-015) and
Conditional Use Permit Revision (74-CP-11RV1)
Annual Throughput Increase (93-DPF-015RV01)
POPCO Synergy Project (93-FDP-15RV02)
Daily Throughput Increase (93-DP-015AM03)
(Modified on June 17, 2002)**

(Modified on October 30, 2024 with the Change of Operator and Guarantor to Sable Offshore Corp)

These conditions of approval have been revised to list the new owner, guarantor, and operator, and remove all previous owners, guarantors, and operators that no longer serve such role. Text that has been added is shown in underline, and text that has been removed is shown in ~~strikeout~~.

Note: The following is a complete set of conditions for the POPCO Gas Plant. New or modified condition language recommended for the ExxonMobil/POPCO Synergy Project appears as bold and strike through text.

**POPCO GAS PLANT EXPANSION
CONDITIONS OF APPROVAL
93-FDP-015, 74-CP-11(RV1) 93-DPF-015(RV01), & 93-FDP-015 (RV02)**

November 2, 1994

(As modified September 29, 1995)

(As modified March 24, 1997)

(As modified August 25, 1999)

(As modified July 25, 2001)

(As Modified October 30, 2024 with the Change of Operator and Guarantor to Sable Offshore Corp)

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A. GENERAL

- Owner:** Pacific Offshore Pipeline Company, a California corporation and wholly owned subsidiary of ~~Exxon Mobil Corporation~~ Sable Offshore Corporation (Sable), is the currently listed ~~sole~~ owner of the POPCO facilities.
- Operator:** ~~Pacific Offshore Pipeline Company and ExxonMobil Production Company ("ExxonMobil"), a division of Exxon Mobil Corporation, are the approved operators of the facilities. ExxonMobil has day to day operational responsibilities under a Continuing Services Agreement with POPCO. Sable is the currently listed Operator of the facility.~~
- Guarantor:** ~~Pacific Offshore Pipeline Company~~ Sable is the currently listed Guarantor for the facilities.
(Adopted July 2, 2003, pursuant to Sec. 25B-4 of the Santa Barbara County Code.)

A-1. Project Description

This Final Development Plan, 93-FDP-015 as revised on August 25, 1999 (RV01), July 25, 2001 (RV02) and June 17, 2002 (AM03) and Conditional Use Permit (CUP) approval, 74-CP-11 RV1 (collectively referred to as the "FDP"), is based upon and limited to the project described in the FDP application including subsequent approved modifications, the EIR project description including subsequent additions, CEQA analysis and current conditions of approval as set forth below. This FDP supersedes the previous permits as listed in condition A-19 of this permit.

In summary, the project description is as follows (see 94-EIR-002, application 93-FDP-015 and 93-FDP-015(RV01) for a complete project description):

- Expansion of the existing POPCO gas processing facility to enable the processing of an annual average inlet (raw) gas rate of 75 MMSCFD and a daily maximum of 75 MMSCFD inlet (raw) gas on any given day. **At no point over the course of the day may more than 80 MMSCFD of gas be processed through the gas plant. In addition, the maximum daily rate of 80 MMSCFD is allowed only under the existing facility configuration as of May 2002 (i.e., pre-Process Synergy configuration). Upon commencement of the Process Synergy Project, the maximum daily rate reverts to 75 MMSCFD.**

The expansion shall be accomplished as follows:

- Addition of a liquid oxygen system including a storage tank (LOX system) to the Sulfur Recovery Unit;
- Addition of twenty-four additional pieces of equipment to the facility (listed in Attachment D to the October 5, 1994 staff report for the expansion project);
- Changing the solvent used in the sour gas treating process if hydrogen sulfide (H₂S) concentrations approach the design basis of the plant.

In order to accommodate the gas plant expansion, the volume of sour gas transported to POPCO's gas processing facility via the 12" offshore-to-onshore pipeline will increase. The pipeline is limited to a physical design capacity of 90 MMSCFD. With the expansion, the pipeline could transport up to 75 MMSCFD of sour gas for processing at POPCO on a stream-day basis, plus 15 MMSCFD of sour gas to ~~Exxon's~~ the Stripping Gas Treating Plant, via the existing sour gas interconnect pipeline, for a total throughput of 90 MMSCFD.

POPCO shall obtain a new or modified permit, or substantial conformity determination prior to undertaking any of the following activities which may, in the judgment of the County, result in significant changes to the impacts of the project evaluated by the County: 1) pipeline or plant modifications; 2) changes in pipeline

throughput; and, 3) introduction of gas, raw or treated, to the pipeline or processing plant from sources other than the Santa Ynez Unit.

The project description for the Process Synergy Project is revised as follows (see 00-ND-25, application 93-FDP-15 (RV02) for a complete project description):

- **Processing of SYU acid gas at POPCO Sulfur Recovery Unit.**
 - **New acid gas piping from SYU to POPCO Sulfur Recovery Unit.**
 - **New bypass line around POPCO Sulfur Recovery Unit.**
 - **Processing of POPCO Tail Gas at SYU Tail Gas Cleanup Unit.**
 - **New tail gas piping from POPCO to SYU Flexsorb Tail Gas Cleanup Unit.**
 - **Removal of POPCO Stretford Tail Gas Cleanup Unit from service.**
 - **Decommissioning of two POPCO process steam boilers.**
 - **New steam and steam condensate piping between POPCO and SYU Cogeneration Plant.**
 - **New byproduct hydrocarbon gas piping from POPCO to SYU recovery system**
 - **Routing of POPCO wastewater to SYU wastewater treating system.**
- (Modified July 25, 2001; 93-FDP-015 (RV02))**

A-2. Grounds for Permit Modification or Revocation

Failure to abide by and faithfully comply with any conditions for the granting of this permit shall constitute grounds for the modification or revocation of this permit.

A-3. Court Costs

POPCO agrees as a condition of the issuance and use of this permit to defend at its sole expense any action brought against the County by a third party challenging either its decision to issue this permit or the manner in which the County is interpreting or enforcing the conditions of the permit. POPCO shall reimburse the County for any court costs and attorneys fees which the County may be required by a court to pay as a result of such action where POPCO defended or had control of the defense of the suit. County may, at its sole discretion, participate in the defense of any such action, but such participation shall not relieve POPCO of its obligation under this condition.

A-4. Cost of Implementing and Enforcing Conditions

The County's permit compliance program for oil and gas projects requires each permit holder to fund County monitoring of each permit holder's compliance efforts. This condition, along with Condition C-1, shall serve as implementation of the EIR Mitigation Monitoring Program in 94-EIR-002 for 93-FDP-015 and 74-CP-11RV1. POPCO agrees to participate in this permit compliance program and to fund all reasonable expenses incurred by the County and/or County contractors for permit condition implementation, reasonable studies, and emergency response directly and necessarily related to monitoring and enforcement of these permit conditions and applicable County ordinances. POPCO shall provide a deposit for these expenses and shall reimburse County within 30 days of invoicing by County.

A-5. Failure To Comply

In the event that POPCO fails to comply with any order of the Santa Barbara County Administrator or the Board of Supervisors issued hereunder or any injunction of the Superior Court, it shall be liable for a civil penalty for each violation to the extent imposition of such civil penalty is authorized by applicable laws, rules, or regulations.

Said civil penalty shall be in addition to POPCO's obligation, if any, to reimburse the County of Santa Barbara (and others) for actual damages suffered as a result of POPCO's failure to abide by the conditions of this permit or by the orders of the County Administrator, the Board of Supervisors, or any court of competent jurisdiction.

A-6. Access to Records and Facilities

As to any condition which requires for its effective enforcement the inspection of records or facilities by County or its agent, POPCO will make such records available or provide access to such facilities upon reasonable notice from County. County agrees to keep such information confidential where permitted by law and requested by POPCO in writing.

A-7. Compliance With Final Development Plan Conditions

The procedures, operating techniques, design, equipment and other descriptions (hereinafter procedures) described by POPCO in: (1) its FDP application to the County 93-FDP-015/74-CP-11RV1, and in subsequent clarifications and additions to that application; (2) this Final Development Plan 93-FDP-015 and Conditional Use Permit 74-CP-11RV1; and (3) as described in 94-EIR-002 (including the existing POPCO facility project description) and any subsequent environmental review, are incorporated herein as permit conditions and shall be required elements of the project. Since these procedures were part of the project description which received environmental analysis, a failure to include such procedures in the actual project could result in significant unanticipated environmental impacts. Deviations from the project description, environmental review or conditions of approval may require further environmental review and a modification to 93-FDP-015 and/or 74-CP-011RV1. Therefore, modifications of these procedures will not be permitted without a determination of substantial conformity or a new or modified permit. The use of the property and the size, shape, arrangement and location of buildings, structures and landscaped areas shall be in substantial conformity with the approved Final Development Plan 93-FDP-015 and Conditional Use Permit 74-CP-11RV1 and approved modifications to it.

A-8. Authority For Curtailment

In addition to the authority to enforce and secure compliance with the provisions of this permit under the Article III Santa Barbara County Zoning Ordinance, the County Administrator, or in his/her absence a designated appointee, may order that curtailment of activities is required to protect the public health and safety. Said action may include, but is not limited to, ordering temporary, partial or total facility shutdown.

Such an order shall be made only in the event that the County Administrator has reasonable and probable cause to believe that continued unrestrained activities of permittee will likely result in or threaten to result in danger to public health, welfare, or safety, or in the environment and provided such activities can be expected to continue or recur unless operations are in whole or in part shut down or reduced pending the necessary corrections.

Before issuing any curtailment order, the County Administrator shall set a time for hearing and shall give written notice of the time and place of the hearing and of the alleged threatening activities or violations. Such notice shall be received by the person in charge of the operation of the facility at least 24 hours before the hearing at which time there will be an opportunity for all concerned parties to present evidence regarding the alleged violations. The notice may be served in person or by certified mail.

In the event the County Administrator determines that there is an imminent danger to the public health and safety resulting from violations, he/she may summarily order the necessary curtailment of activities without hearing and such order shall be obeyed upon notice of same, whether written or oral. At the same time that notice of the order is conveyed, the County Administrator shall set a date, time and place for a noticed public hearing and review of said order as soon as possible which date shall be no later than 48 hours after such order is issued or served. Said hearing shall be conducted in the same manner as a hearing on prior notice. After such hearing, the County Administrator may modify, revoke, or retain the emergency curtailment order.

Any order of the County Administrator may be appealed to the Board of Supervisors within three working days after such order is made.

If such appeal is not filed with the Board of Supervisors, the County Administrator's order becomes final. If there is an appeal, the order of the County Administrator shall remain in full force and effect until action is taken by the Board of Supervisors. The decision of the Board of Supervisors shall be a final Administrative Action. Such decision shall not preclude POPCO from seeking judicial relief.

Once POPCO has shown that the conditions of violation no longer exist and are not reasonably likely to recur, the County Administrator shall modify the curtailment order at a public hearing, giving 24 hours notice to all parties, to account for such compliance and shall entirely dissolve the order when it is shown that all of the violations have been corrected and are not likely to recur.

A-9. Conditions Separately Remain In Force

In the event that any condition contained herein is determined to be invalid, then all remaining conditions shall remain in force.

A-10. Conflicts Between Conditions

In the event that any condition contained herein is determined to be in conflict with any other condition contained herein, then where principles of law do not provide to the contrary, the condition most protective of public health and safety and of natural environmental resources shall prevail to the extent feasible.

A-11. Submittal of As Built Drawings

Within one year after initial start-up of the expanded gas plant, POPCO shall submit as-built drawings of the entire facility to County. POPCO shall submit as many sets of drawings (up to ten sets) as requested by the Planning and Development Department.

POPCO shall submit as-built Piping and Instrumentation Diagrams (P&IDs) to the County Planning & Development Department, Building & Safety Division, within 90 days of Synergy Project start-up. (Modified July 25, 2001; 93-FDP-015 (RV02))

A-12. Owner and Operator Liability

The owner and the operator of the facility shall be jointly and severally liable without regard to fault for all legally compensable damages or injuries suffered by any property or person that result from or arise out of any gas, water spillage, fire, explosion, odor, or air pollution, in any way involving oil or gas or the impurities contained therein or removed therefrom and which arises out of construction or operation of ~~POPCO's~~ the project facilities. For the purpose of this condition, the "facility" shall be deemed to include all facilities described and approved pursuant to 93-FDP-015 and 74-CP-11RV1 and any subsequent, approved revisions.

This condition shall not inure to the benefit of any of the owners of the facility, including the United States Government. This declaration of strict liability and the limitations upon it shall be governed by the applicable law of California on strict liability. POPCO shall indemnify, defend and hold harmless the County, its officers, agents, and employees, from any and all claims, demands, costs, expenses, including attorneys fees, judgments or liabilities arising out of the location of the facility.

A-13. Injunctive Relief

In addition to any administrative remedies or enforcement provided hereunder, the County may seek and obtain temporary, preliminary, and permanent injunctive relief to prohibit violation of the conditions set forth herein or

to mandate compliance with the conditions herein. All remedies and enforcement procedures set forth herein shall be in addition to any other legal or equitable remedies provided by law.

A-14. Permit Violations

Any person, firm or corporation, whether as a principal, agent, employee, or otherwise, found to be in violation of any provisions or conditions of this ordinance or permits, shall be punishable as set forth in the applicable section of the Article III Zoning Ordinances of the Santa Barbara County Code.

Each and every day during any portion of which any violation of this Article or the rules, regulations, orders, or permits issued thereunder, is committed, continued, or permitted by such person, firm or corporation shall be deemed a separate and distinct offense.

A-15. Authority To Change Responsible Agency

The Santa Barbara County Board of Supervisors shall have the authority, in a noticed public hearing, to specify or change the Santa Barbara County Department responsible for any conditions contained herein.

A-16. Alternative Mitigation If Condition Invalidated

In the event that any condition imposing a fee, exaction, dedication or other mitigation measure is challenged by the project sponsors in an action filed in a court of law or threatened to be filed therein which action is brought in the time period provided for by Code of Civil Procedures Section 1094.6 or other applicable law, this approval shall be suspended pending dismissal of such action, the expiration of the limitation period applicable to such action, or final resolution of such action. If any condition is invalidated by a court of law, the entire project shall be reviewed by the Planning Commission and no approval shall be issued unless substitute feasible mitigation conditions/measures are imposed.

A-17. "POPCO" Definition

The term "POPCO" shall be understood to apply to the Pacific Offshore Pipeline Company of California dba POPCO and/or any other owner or operator of these permitted facilities unless such a meaning would be inappropriate.

A-18. Subsequent Additional Mitigation

All plans, procedures, programs, demonstrations, letters of commitment, as detailed in the Final EIR and subsequent modifications of this permit, including supplemental environmental documents, and the above referenced plans, programs, procedures, demonstrations, realignments and letters prepared pursuant to this permit are incorporated herein and have the force and effect of a permit condition. The remedies available to the County upon applicants failure to comply with such plans, procedures, etc. include but are not limited to those remedies which are available to the County upon POPCO's failure to comply with a permit condition.

A-19. Previous Permits Superseded

POPCO agrees in accepting the Land Use Permit or any other authorization to proceed with construction under this Final Development Plan (93-FDP-015) for the POPCO Gas Plant Expansion, that the following previously issued permits are hereby superseded by this 93-FDP-015. These permits are: Ordinance 2686 (74-RZ-001); 74-CP-31; Phase I Precise Plan (75-DP-27); Phase II Precise Plan (79-DP-23); and, 88-DP-11.

A-20. Final Development Plan and Conditional Use Permit Approval Expiration

Approval of the Final Development Plan and Conditional Use Permit shall expire five (5) years after approval by the Planning Commission, or Board of Supervisors, unless prior to the expiration date, substantial physical construction has been completed on the development or a time extension has been applied for by the applicant. The Planning Commission or Board of Supervisors may, upon good cause shown, grant a time extension for one year.

A-21. Applicability of Conditions To Construction and Operations

These permit conditions are intended to apply to POPCO during the construction, operation and abandonment of the permitted facilities. The term "operations" shall be understood to encompass both construction and operation phases unless such an interpretation would be clearly inconsistent with the meaning and intent of the particular permit condition.

A-22. Future User Compliance

Any future user, owner, or operator (hereinafter "user") of POPCO's Las Flores Canyon facilities shall be required to demonstrate to County's satisfaction that the significant impacts to the County caused by the construction, installation or operation of any of the future user's project facilities have been and will be fully mitigated to the extent feasible.

Prior to its execution, POPCO shall submit to Planning and Development a copy of any proposed agreement with potential future users of the facilities. Planning and Development shall review the proposed agreement to determine that it includes adequate provisions to require the user's compliance with the permit conditions. Such proposed agreement or portions of it may be withheld from public review as a confidential document upon written request and justification from POPCO.

Prior to using POPCO's facilities, each future user must receive from the Planning Commission a determination of substantial conformity with all relevant procedures and permit conditions applicable to POPCO's facilities. For this determination the Planning Commission must be able to make a finding that the significant impacts to the County caused by construction, installation, operation or use of any project facilities by each future user have been and will be fully mitigated to the maximum extent feasible, as recommended by the original POPCO project EIS/EIR, 94-EIR-002, or any appropriate supplemental environmental document.

A-23. Throughput Limitations

The POPCO gas processing facility shall be limited to the following processing limitations:

- a. A maximum inlet rate of **80** MMSCFD of sour gas containing a maximum of 7000 ppm (0.7%) H₂S to be processed on any given day;
- b. A maximum inlet rate of 60 MMSCFD of sour gas containing a maximum of **20,000 ppm (2.00%)** H₂S to be processed on any given day;
- c. Maximum production of 60 long tons on any given day of molten sulfur;
- d. A maximum processing of 75 MMSCFD of inlet (raw) gas on an annual average basis (calendar day).

The offshore-to-onshore sour gas pipeline shall be limited to a maximum throughput of 90 MMSCFD; 75 MMSCFD of sour gas to be processed at POPCO's facility and 15 MMSCFD of sour gas to be transported to ~~Exxon's~~ the Stripping Gas Treating Plant via the sour gas interconnect. (Modified August 25, 1999, 03-DPF-

015RV01; July 25, 2001, 93-FDP-15RV02; June 17, 2002, 93-DP015-AM03; October 20, 2003, 93-DP015-AM04).

B. PERMIT REVIEW

B-1. Construction Review by SSRRC

Prior to issuance of land use permits, for the Expansion project and for subsequent modifications to its gas processing facility, POPCO shall submit to the Planning and Development Department and to the System Safety and Reliability Review Committee (established by Condition P-1) relevant construction plans, engineering drawings and supporting text demonstrating compliance with the relevant conditions of this permit. Land use permits shall not be issued until County has reviewed and approved the appropriate submittal, consistent with the SSRRC review specified in Conditions P-1 and P-2. Within 15 days of submittal, County shall deem the submittal complete, or incomplete and provide a list of deficiencies. Within 15 days of deeming the submittal complete, County shall give written notice of approval of construction plans, or indicate in writing conditions which have not been met, or notify the permittee that the SSRRC review shall be completed within a period of time specified by the SSRRC, based on sound engineering practices. When such conditions have been met, land use permits may be issued. The SSRRC may require post-construction inspections or review of as-built drawings, as necessary to confirm consistency with the approved submittals.

B-2. Condition Effectiveness Review and Imposition of New Conditions

If at any time County determines that these permit conditions are inadequate to effectively mitigate significant environmental impacts caused by or potentially caused by the project, or that recent proven technological advances could provide substantial additional mitigation, then additional reasonable conditions shall be imposed by the Planning Commission to further mitigate these impacts. Imposition of such conditions shall only be considered and imposed as part of a comprehensive review of the project conditions. The County shall conduct a comprehensive review of the project conditions and consider adding reasonable conditions which incorporate proven technological advances three years after permit issuance and at appropriate intervals thereafter. The County may also conduct a comprehensive review of conditions which are not effectively mitigating or will not effectively mitigate impacts at any appropriate time and, based upon that review, impose additional reasonable conditions to effectively mitigate such impacts. Upon appeal and written request of POPCO to the Board of Supervisors, the Board of Supervisors shall determine whether the new condition required is reasonable considering the economic burdens imposed and environmental benefits to be derived.

B-3. Condition Scheduling Conflicts

In the event that scheduling requirements among or between conditions in this permit (or with this permit and conditions imposed by other agencies) conflict with respect to timing, the Planning & Development Department (in consultation with other departments and agencies as appropriate) shall resolve such conflict.

B-4. Authority to Begin Construction

Prior to commencing any construction activities associated with this FDP in Santa Barbara County, POPCO the permittee shall obtain a letter from the Director of Planning & Development indicating that all conditions which require approval prior to construction, as specified by this Final Development Plan, have been satisfied.

B-5. Authority to Begin Operations

After construction and prior to start-up, POPCO shall obtain a letter from the Director of Planning & Development indicating that all conditions which require approval prior to start-up, as specified by this Final Development Plan, have been satisfied. Start-up, for purposes of this condition, is defined as the introduction of oxygen into the sulfur plant.

C. MANAGEMENT AND MONITORING

C-1. Environmental Quality Assurance Program

POPCO shall obtain Planning and Development Department (P&D) approval of an Environmental Quality Assurance Program (EQAP) prior to issuance of the Land Use Permit for the expansion project. This EQAP shall encompass construction and operations of the POPCO facilities, and shall describe the steps POPCO will take to assure compliance with these conditions. The EQAP is intended to provide a monitoring and reporting framework for compliance with all conditions, programs and plans specified by these conditions. As such, it will become a comprehensive reference document for the County, other agencies, and the public regarding the POPCO project.

The EQAP shall include:

- a. all plans, as specified by these conditions, relevant to construction and operation of the permitted facilities. If separate plans exist, they may be referenced rather than physically included in the EQAP submittal;
- b. provisions for an onsite environmental coordinator(s) with overall responsibility for monitoring POPCO's compliance with the environmental conditions of this permit. These coordinators shall be under contract to the County and funded by POPCO;
- c. provisions for ensuring contractor knowledge of and compliance with these conditions;
- d. provisions for the submittal to P&D of monthly reports throughout construction and annual summary reports during operations unless more frequent reporting is deemed necessary by P&D. Upon receipt of compliance reports, P&D shall advise POPCO of what additional compliance items require reporting prior to the next report. These reports shall describe:
 1. Project status, including but not necessarily limited to:
 - i. extent to which construction has been completed,
 - ii. the origins of the construction labor force
 - iii. the rate of production/throughput during operation,
 - iv. environmental planning and implementation efforts, and
 - v. any revised time schedules or timetables of construction and/or operation that will occur in the next one-year period.
 2. Permit condition compliance, including but not necessarily limited to the results of the specific mitigation requirements identified in these conditions and compliance plans.
 3. Results and analyses of all data collection efforts being conducted by POPCO pursuant to these permit conditions.

C-2. 24-Hour Emergency Contact

Prior to issuance of the Land Use Permit, POPCO shall provide to Planning and Development, the Office of Emergency Services and the Fire Department the current name and position, title, address, and 24-hour telephone numbers of the person in charge of the facility, person in charge of construction, and other representatives who shall receive all orders and notices, as well as all communications regarding matters of condition and permit compliance at the site and who shall have authority to implement a facility shutdown pursuant to Condition A-8(*Administrative correction from A-14 reference to A-8 made July 1, 1996*) in this Final Development Plan or other County ordinances.

There shall always be such a contact person(s) designated by the permittee. One contact person shall be available 24 hours a day in order to respond to inquiries received from the County, or from anyone in case of an emergency.

If the address or telephone number of POPCO's agent should change, or the responsibility be assigned to another person or position, POPCO shall provide to Planning and Development the new information within 24 hours of the effective date of such change.

C-3. POPCO To Provide Copies of Permits to P&D

POPCO shall furnish to Planning and Development copies of all local, state, and federal permits relative to the gas processing facility within 30 days of receipt by POPCO.

C-4. Capacity and Throughput Reports

POPCO shall report to Planning and Development the source(s), volumes, rates, and, where applicable, the H₂S concentration of: (1) inlet gas transported to the gas plant via the 12-inch offshore-to-onshore pipeline; (2) gas processed at the gas plant; (3) gas transported to ~~Exxon's~~ the Stripping Gas Treating Plant via the sour gas interconnect pipeline; and, (4) treated gas transmitted to for sales to the Gas Company. In addition, POPCO shall report the volumes, number of truck trips, and source/destination of trucks transporting: (5) natural gas liquids (NGLs); (6) molten sulfur; and (7) liquid oxygen (LOX). Reports shall be made on at least a monthly and annual basis and supporting documentation will be provided upon request from Planning and Development.

D. FACILITY DESIGN

D-1. Drainage

An escape path shall be incorporated in the road along the easterly side of the project site so that any surplus water not accommodated by the culvert will have a means of escape without running through the project area. The escape path shall be designed for 50 percent of the 100 year flow.

D-2. Storage of Equipment and Materials

Permanent open storage of equipment and materials shall be screened from public view. No above-ground storage structures shall be built/installed without the issuance of a corresponding land use permit.

D-3. Energy Conservation Measures

Throughout the project life, as equipment is added or replaced, cost-effective energy conservation techniques shall be incorporated into project design.

D-4. Water Conservation Measures

The design of all new and/or modified onsite facilities shall incorporate the use of cost-effective water-conserving fixtures.

D-5. Flaring Report

If any emergency flaring occurs during start-up or operations of the expanded gas plant, POPCO shall submit to APCD and Planning and Development within seven (7) working days a report describing the reasons for flaring and corrective measures taken to be approved by APCD, in coordination with Planning and Development.

D-6. Solid Waste Disposal

Solid waste generated on the site shall be transported to a County-approved landfill.

E. AIR QUALITY

E-1. Statement of Scope

Nothing contained herein shall be construed to permit a violation of any applicable air pollution law, rule, or regulation.

E-2. Authority To Construct

Prior to initiation of construction, including grading, of any facilities approved pursuant to this Final Development Plan, POPCO shall obtain an Authority to Construct permit from the County Air Pollution Control District.

E-3. Construction Plan

Prior to the issuance of the land use permit, POPCO shall submit to the Planning and Development Department a plan, approved by the Air Pollution Control District (APCD), which includes the following measures:

- a. During grading, earth moving, excavation, and transportation of cut or fill materials, water trucks or sprinkler systems are to be used in sufficient quantities to prevent dust from leaving the site and to create a crust after each day's activities cease. At a minimum, this would include wetting down such areas in the late morning and after work is completed for the day and whenever wind exceeds 15 miles per hour. Reclaimed water shall be used whenever **possible. (Modified on July 25, 2001; 93-FDP-015 (RV02))**
- b. After clearing, grading, earth moving, or excavation is completed, the entire section of disturbed soil shall be treated immediately by watering or revegetating or spreading soil binders to minimize dust generated on the site from leaving the site until the area is paved or otherwise restored to its previous state.
- c. During construction, water trucks or sprinkler systems are to be used as appropriate to keep all areas of vehicle movement damp enough to prevent dust from leaving the site. At a minimum, this will include wetting down such areas in the late morning and after work is completed for the day. Increased watering frequency will be required whenever the wind speed exceeds 15 mph.
- d. Any soil stockpiled for more than two days shall be covered, kept moist, or treated with soil binders to prevent dust generation.
- e. To reduce emissions of NO_x and CO, construction equipment engines shall be inspected and properly maintained.
- f. To reduce emissions of sulfur dioxide and PM₁₀, low sulfur diesel fuel (not more than 0.2 weight percent sulfur) shall be used.
- g. Electric equipment is recommended whenever feasible.
- h. POPCO shall instruct construction personnel to carpool to the extent feasible.

- i. Materials delivery to the site shall be coordinated to consolidate deliveries. Construction and delivery schedules shall be maintained and updated every week. These updated schedules shall be provided to the Planning and Development Department weekly.
- j. POPCO shall designate a person or persons to monitor the dust control program and to order increased watering as necessary, to prevent transport of dust off-site. The monitor shall perform duties on holiday and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the OEC and APCD prior to issuance of the Land Use Permit.

E-4. Fugitive ROC Emissions

Fugitive ROC emissions from the new expansion project components shall be controlled and/or offset as necessary to fully comply with APCD Rules and Regulations. ROC emission offsets required by APCD Rules and Regulations shall be demonstrated as available prior to issuance of the Authority to Construct (ATC) permit and shall be in place prior to operation of the expanded facility.

In the event that emission offsets of ROC emissions from new expansion components are not required by APCD Rules and Regulations, POPCO shall still be required to offset and/or control the ROC emissions of new expansion project components to less than 25 pounds per day. If offsets are required in this case, they shall be: (1) obtained according to APCD permitting requirements; (2) demonstrated as available prior to issuance of the ATC permit; and, (3) in place prior to issuance of the APCD Permit to Operate.

E-5. Sulfur Recovery Unit Failure

Based on worst-case scenario air dispersion modeling, emergency flaring of acid gas associated with a failure of the expanded Sulfur Recovery Unit could result in an exceedance of the State one-hour SO₂ ambient air quality standard.

Prior to operation of the expanded facilities, POPCO shall have in place, in accordance with all APCD Rules and Regulations, a system or operation procedure which mitigates to the extent feasible the predicted SO₂ ambient air quality exceedance.

E-6. Facility Shall Emit No Detectable Odor

All facilities permitted under this Final Development Plan shall be designed, constructed, operated and maintained such that no odor shall be detectable at any point along or outside the exterior boundary of the Exxon property.

E-7. Permanent Shutdown of POPCO Equipment

As part of the ~~ExxonMobil~~ SYU/POPCO Synergy Project, POPCO shall drain, flush, purge, isolate and abandon in place the boilers and associated feedwater treating systems. POPCO may only use this equipment in the future if the following are met:

- (a) Secure replacement Emission Reduction Credits (ERCs) meeting APCD Regulation VIII requirements prior to any use of the boilers.
- (b) Obtain APCD permits prior to the use of the boilers.

(Modified on July 25, 2001; 93-FDP-015 (RV02))

F. CONSOLIDATION

F-1 Terms For Shared Facility Use

At any time, as requested by the County, POPCO shall submit to the Director of Planning and Development, terms, including financial terms, under which other producers in the area would be permitted to enter and use the facilities for gas processing, transportation, or storage, or ancillary facilities. POPCO shall submit the requested information to the Director of Planning and Development within 30 days of such request or by a date mutually agreed upon by POPCO and the Director of Planning and Development. If these terms are determined to be unacceptable to potential users of the facility or pipeline, and if agreement cannot be reached, the County shall reserve the right to impose additional conditions as described above to amend the permit. The intent of this condition is to ensure the efficient and maximum use of POPCO's gas processing facility and offshore-to-onshore sour gas pipeline.

F-2 Consolidation

POPCO shall make its facilities, including pipelines, and lease area available for consolidation and co-location of oil and gas facilities on a non-discriminatory and equitable basis. County retains the right to verify that the uses of POPCO's facilities and lease area are conforming with County policies regarding consolidation and to impose additional permit conditions where necessary to assure these policies are being fulfilled.

Consistent with the approved policies regarding the consolidation of oil and gas facilities including pipelines, in the event that the need for such facilities is demonstrated by other developers to the County, POPCO shall make available to such other developers any excess capacity of the POPCO project facilities. In the event that sufficient excess capacity does not exist within the POPCO project facilities, POPCO shall make space within its facility areas available to other developers for the construction of additional permitted facilities related to gas processing. In the event that such necessary facilities are not permissible pursuant to the County's consolidation policies, POPCO shall reduce its throughput on a pro-rata basis to accommodate such other developers.

The intent of this condition is to ensure the efficient and maximum use of oil and gas-related facilities in the County in order to avoid the construction and operation of redundant facilities.

G. VISUAL RESOURCES

G-1. Board of Architectural Review

All facility design, including buildings, structures, landscaping and signs, shall be in accordance with plans approved by the County Board of Architectural Review (BAR), Section 35-329 of the Article III Zoning Ordinance.

G-2. Exterior Lighting

No unobstructed or unshielded beam of exterior lighting shall be directed toward any area outside the exterior boundaries of Exxon's current property boundary on which POPCO's facilities are located. Any new lighting installed by POPCO along roadways within the project shall utilize low intensity, ground level, shielded fixtures.

G-3. Glare

No glare or other radiation resulting from facilities constructed pursuant to this Development Plan, other than lighting fixtures and, emergency gas flares, shall be detectable at any point along or outside the exterior boundaries of ~~Exxon's~~ the SYU's current property boundary on which POPCO's facilities are located.

G-4. Visible Emissions

POPCO will ensure that all normal facility operations will be conducted in such a manner so as not to generate offensive odors, fumes, noxious gases or liquids or visible emissions of smoke.

G-5. Removal of Debris

During the life of the project, POPCO will remove any and all above ground debris located on the POPCO facility area, including any gas pipelines, tanks, pumps and separators no longer in use and/or not intended to be used in the future.

H. TERRESTRIAL BIOLOGY

H-1 Biological Resource Protection Plan

To reduce construction and operations-related biological and surface water impacts identified in the EIR, 94-EIR-002, POPCO shall implement a Biological Resource Protection Plan approved by Planning and Development prior to issuance of the Land Use Permit for the expansion project. This Plan shall include measures to avoid and/or reduce construction and operations-related biological and water quality impacts associated with:

- a. potential oil, gas, and/or fuel spills from transportation and construction vehicles/equipment, and from facility upsets, which could affect Las Flores and/or Corral creeks. Spill prevention, spill response, and habitat restoration measures shall be identified in the Plan and shall include low-impact clean-up strategies for Las Flores and Corral creeks;
- b. facility and wildland fires, including fire hazard reduction and biological resource protection measures. The fire hazard reduction component of POPCO's Plan shall also be approved by the County Fire Department prior to issuance of the Land Use Permit;
- c. potential adverse air emissions; and,
- d. cumulative water quality impacts from facility operations.
- e. Identification of POPCO site drainage patterns,
- f. Identification and source of chemicals and fluids which could spill, and identification of chemicals specific to POPCO-operations.

The Biological Resource Protection Plan shall be consistent with ~~Exxon's~~ the SYU spill restoration plan, Surface Water Quality Management Plan, Vegetation Management Plan, and Annual Biological Survey Plan, and shall provide for canyon-wide resource protection and restoration.

I. GROUND WATER

I-1. Ground Water Management Plan

Prior to issuance of the Land Use Permit, POPCO shall obtain approval from Planning and Development of a Ground Water Management Plan (GWMP) which identifies feasible water-conserving measures. These measures shall be implemented by POPCO as described in the approved plan and shall include but not be limited to, more efficient/reduced use of utility washdown, process and domestic water use, and management of water well extractions within safe yield limits consistent with ~~Exxon's~~ the SYU GWMP. These measures shall be identified in either a canyon-wide GWMP or a POPCO-specific plan that is consistent with ~~Exxon's~~ the SYU GWMP.

J. SURFACE WATER

J-1. Surface Water Quality Monitoring Plan

Prior to issuance of the Land Use Permit, POPCO shall obtain approval of a Surface Water Quality Monitoring Plan which includes monitoring stations and measures appropriate to POPCO's operations. These measures shall be identified in either a canyon-wide Surface Water Quality Monitoring Plan (SWQMP) or a POPCO-specific plan that is consistent with ~~Exxon's~~ the SYU SWQMP.

K. TRANSPORTATION/CIRCULATION

K-1. Construction Transportation and Parking Plan

Prior to issuance of the land use permit, POPCO shall develop and submit to the Planning and Development Department for review and approval, a Construction Transportation and Parking Plan showing adequate on and/or off site parking for all private vehicles belonging to employees, contractors, and other project-related personnel. (Mitigation Measure T-1) The Plan shall include but not be limited to the following components:

- a. Provision of worker parking within ~~Exxon's~~ the SYU's existing developed area(s).
- b. Use of ~~Exxon's~~ the SYU Goleta Parking Lot.
- c. Use of lower canyon area previously used ~~by Exxon~~ for worker parking.
- d. Bussing of workers from the parking area(s) to the POPCO job site(s).
- e. Scheduling of truck traffic transporting materials to and from the POPCO site to avoid arriving or departing during school bus hours and other measures arising from POPCO's discussions with the Vista Del Las Cruces School.
- f. The applicant shall establish and implement a policy of car, van or small bus pooling, as necessary, to facilitate employee commuting from outside the Santa Barbara Housing Market Area.

If POPCO proposes to accommodate construction-related parking on land located outside POPCO's lease area, POPCO shall demonstrate to Planning and Development property owner approval. The County approved Construction Transportation and Parking Plan shall be approved and in place prior to any construction activities relative to the expansion project.

K-2. Emergency Site Access

In the event that the primary access road to Las Flores Canyon is rendered impassable or inadvisable for use, or if additional access is required during an emergency event, POPCO shall use the Emergency Access Road (EAR) ~~recently~~ constructed ~~by Exxon~~ under County permit 92-FDP-011cz. Prior to start-up of the expanded facility, POPCO shall demonstrate to the County its authority to use EAR under the aforementioned conditions.

L. NOISE

L-1 Construction Noise Limits

Construction activities for all project facilities shall be limited to the hours between 7:00 a.m. and 5:30 p.m. (93-FDP-015(SC01); *September 29, 1995*) Monday through Friday, unless POPCO receives a prior waiver from Planning and Development. During the construction and operation phases, project related noise near all

sensitive receptors identified in the EIR shall be limited to 65 dba between the hours of 7:00 a.m. and 10:00 p.m., and 50 dba between the hours of 10:00 p.m. and 7:00 a.m., consistent with the County Noise Element, Coastal Zoning Ordinance and Article III Zoning Ordinance.

L-2. Operational Noise Limits and Minimization Requirements

Except for motor vehicles and motorized construction equipment, all facilities shall be designed, constructed, operated and maintained such that sound levels during operation do not exceed 70 dBA at or beyond the property line, as measured on the "A" weight scale at slow response on approved sound level measuring instruments. The facility shall comply with all standards established in the Noise Element of the Comprehensive Plan, Article III Zoning Ordinance and the Coastal Zoning Ordinance. No nearby residents shall be subjected to greater than a 9 dBA increment above the baseline ambient noise level, nor greater than a 3 dBA increase in day-night sound levels. The best available technology, including but not limited to muffling equipment, sound barriers, and landscaping measures shall be used to minimize noise impacts caused by POPCO.

L-3 Equipment Noise Limits

All construction and operation-related equipment shall be operated and maintained to minimize noise generation, ground vibration, and to avoid interference with radio or video communications.

L-4. Annual Noise Level Monitoring

In order to ensure that operational noise does not substantially increase the ambient noise for adjoining areas, POPCO shall continue to monitor noise levels on an annual basis. If noise levels are shown to exceed 70 dBA at or beyond the current ~~Exxon~~ property line, POPCO should implement appropriate mitigation measures as required by Planning and Development to reduce the exceedance(s).

POPCO shall participate in a canyon-wide noise monitoring and mitigation program with other facility operators in Las Flores Canyon. This plan shall be reviewed and approved by Planning and Development prior to issuance of the Land Use Permit.

(Section "M" is not used.)

N. FIRE PROTECTION

N-1. Fire Protection Plan

All POPCO facilities shall have fire protection features installed in accordance with the provisions of the POPCO Fire Protection Plan (FPP). All facilities, construction activities, process equipment, and fire protection equipment shall comply with the standards of the National Fire Protection Association, American Petroleum Institute, Uniform Fire Code as adopted in Chapter 15, Community Life Safety, of the Code of Santa Barbara County, and the Santa Barbara County Fire Department.

Prior to issuance of the Land Use Permit, POPCO shall receive Fire Department approval of a revised FPP which addresses both construction and operation of the expanded gas plant. The existing FPP shall be reviewed jointly by the Fire Department and POPCO for its applicability to the expanded gas processing plant. Any changes to the FPP required as a result of this review shall be implemented by POPCO.

The revised FPP also shall include, but may not be limited to, discussions of the following:

- Onsite firefighting equipment
- Fire and gas detection

- Access
- Vegetation management
- Employee training and safe practices
- Process control and monitoring analysis
- Drainage and containment
- Inspection (including County inspectors) and maintenance practices

N-2. Fire Water Pump

Prior to issuance of the Land Use Permit, POPCO shall receive approval from the Fire Department and Systems Safety and Reliability Review Committee (SSRRC) for the addition of a third fire water pump. This pump shall be designed to provide 3,500 gpm at 135 psi.

Since this measure would result in a higher system demand, confirmation that the firewater system could maintain a supply of fire water for at least 4 hours shall be made and evidence acceptable to the Fire Department provided, prior to the submittal of plans for the addition of the pump to the Fire Department and SSRRC, as described above.

In lieu of installation of a third fire water pump, POPCO may elect to demonstrate that sufficient flow capacity can be achieved through other means, such as a canyon-wide fire protection system (N-3 below). If such demonstration is made, addition of the third fire water pump would not be required.

N-3. Canyon-wide Fire Protection System

Prior to issuance of the Land Use Permit, and as a component of the revised Fire Protection Plan required under condition N-1 above, POPCO shall conduct a hydraulic analysis to determine the benefit of emergency connections between the separate fire water systems within Las Flores/Corral canyons and whether such modifications to the fire water distribution system would adversely affect either system. This analysis shall also determine if additional flow capacity can be achieved through such fire protection system and whether such emergency connections should normally remain closed in order to isolate each firewater system from the other.

If the hydraulic analysis demonstrates the benefit of emergency connections between the separate fire water systems, ~~POPCO the permittee shall provide the Fire Department and Planning & Development with documentation of an approved agreement between POPCO and Exxon for the canyon-wide fire protection water system and shall implement such system.~~

N-4. Vegetation Management Plan

Prior to issuance of the Land Use Permit, POPCO shall obtain approval from Planning & Development and the Fire Department of a Vegetation Management Plan which identifies measures for the development and implementation of a vegetation/fuel bed management program. These measures shall be identified in either a canyon-wide Vegetation Management Program ~~in cooperation with Exxon~~ or a POPCO-specific plan that is consistent with ~~Exxon's~~ the SYU's Vegetation Management Program. The Vegetation Management Program shall be described in the revised Fire Protection Plan required under condition N-1 above.

(Section "O" is not used.)

P. SYSTEM SAFETY

P-1. Risk Mitigation

A Risk Management Program to substantially reduce the risks of project-related accidents which may result in loss of life and/or injury, and damage to property and/or the natural environment shall be administered by the

Santa Barbara County Planning & Development Department with the assistance of the Systems Safety and Reliability Review Committee (SSRRC).

The System Safety and Reliability Review Committee shall consist of a representative from the County Air Pollution Control District, the County Fire Department, the Energy Division and the Building & Safety Division of the Planning and Development Department, and, on an as-needed basis, the Office of Emergency Services and Environmental Health Services. Other County departments, as deemed necessary by the SSRRC, may be consulted. All reasonable costs associated with this County review shall be borne by POPCO. POPCO shall be entitled to participate fully in the review process.

POPCO shall submit all appropriate construction plans, Process Hazards Analyses (PHA), and Hazard and Operability Studies (HAZOPs) to the System Safety and Reliability Review Committee (SSRRC) who may employ a third-party technical review in order to evaluate project design and help identify possible design hazards prior to issuance of land use clearances and design modifications thereafter. This review shall also evaluate all mitigation identified in the EIR. POPCO shall modify the project design to reduce the risks identified by the SSRRC. Recommendations identified for the proposed facilities shall be implemented prior to operations of the expanded facility. POPCO shall submit operating procedures for the SSRRC review and approval. Recommendations concerning operating procedures shall be adopted for the affected facilities prior to operation of the proposed facilities. In the event of a disagreement, the SSRRC may either develop alternate mitigation or request the mitigation be required by the County Planning Commission through adoption of a new or modified permit condition. The SSRRC may require as-built inspections and the submittal of as-built drawings for approval prior to the operation of any plant modifications.

POPCO shall submit a Final Process Hazard Analysis (PHA) of all components of the Synergy Project to the County System Safety and Reliability Review Committee (SSRRC) for review and comment at least 60 days prior to startup of the Synergy Project. All mitigation recommendations resulting from the PHA shall be reconciled with the final design and operating procedures and agreed to by the SSRRC.

(Modified on July 25, 2001; 93-FDP-015 (RV02))

P-2. Safety Inspection, Maintenance And Quality Assurance Program

Prior to the issuance of the Land Use Permit, POPCO shall submit a detailed Safety Inspection, Maintenance and Quality Assurance Program (SIMQAP) for all onshore and offshore facilities and pipelines which shall be implemented during construction and operations. The plan is a dynamic document and, as such, updates including new procedures, safety and maintenance technologies and processes, shall be reviewed jointly by POPCO and the SSRRC. The SIMQAP shall be revised as appropriate. The SIMQAP shall include, but not be limited to, evaluation of staffing levels for safe operation of the plant in emergency situations, establishing procedures for review of safety inspection records, regular maintenance and safety inspections, periodic safety audits, development of safety system testing protocols, training and experience standards for personnel and use of simulation techniques in training programs, inspections of all trucks carrying hazardous and/or flammable material prior to loading, monitoring of critical safety devices and systems, and review of the routing of all trucks carrying hazardous material. The SIMQAP shall be reviewed and approved by the System Safety and Reliability Review Committee prior to operation of the expanded facility. POPCO shall implement the approved plan and shall provide for involvement of the Onsite Environmental Coordinator (Condition C-1), County staff, or its consultants in all inspections as appropriate. All costs associated with this review process shall be borne by POPCO.

POPCO shall submit appropriate revisions to its SIMQAP and receive SSRRC approval prior to start-up of the Synergy Project. The revisions shall reflect process and design changes as well as inspection and maintenance modifications necessary as a result of the Synergy Project.

(Modified on July 25, 2001; 93-FDP-015 (RV02))

P-3. Emergency Response Plan

POPCO shall submit to the County an updated Emergency Response Plan (ERP) that addresses response procedures to be implemented by POPCO for accidental events that pose significant threats to public health and safety, property, or the environment.

The updated ERP shall be reviewed and approved by the County Office of Emergency Services (OES), the Fire Department, and the Planning and Development Department prior to issuance of the Land Use Permit. OES shall consult with Environmental Health Services prior to OES approval of the ERP. Approval of the ERP shall include its consistency with the County's Model Oil and Gas Industry Emergency Response Plan. POPCO shall demonstrate the effectiveness of its ERP by responding to one emergency response drill prior to operation of the expanded facility.

The ERP shall be a dynamic document and, as such, shall be jointly reviewed by the County and POPCO, and revised when warranted. Any changes shall be submitted to OES, Fire, and Planning and Development for their review and approval, prior to implementation. POPCO shall demonstrate the ongoing effectiveness of the ERP by responding to no more than two surprise drills each year which may be called by the County. If critical operations are underway, POPCO need not respond to the drill at that time but shall explain the nature of the critical operations and why response is not possible. The County may then call for an additional surprise drill in the same year.

POPCO shall revise their Integrated Emergency Response Plan as appropriate to reflect the Synergy Project changes, including communications between the two control rooms and automatic shutdown systems. The revised ERP shall be submitted to the SSRRC for review and approval prior to startup.

(Modified on July 25, 2001; 93-FDP-015 (RV02))

P-4. Funding County Emergency Response Plan

In order to assure that County emergency response procedures adequately interface with the POPCO emergency response procedures, POPCO shall provide its reasonable pro-rata share of funds to the County to implement a County Emergency Response Plan for oil and gas industry related emergencies. The County shall request funds from other oil and gas industry operators holding P-4 permit conditions (or similar requirements) to aid in funding of the County Emergency Response Plan. When available, OES shall provide POPCO with an estimate of the pro rata share of funds to be provided by POPCO and the method for allocating such costs among other operators. POPCO's participation in the Area Oil and Gas Industry ERP Mutual Aid Agreement shall be documented in a letter agreement to be approved by OES prior to operations of the expanded facility.

P-5. Hazardous Material and Waste Management Plan

Prior to start-up of the expanded facilities, POPCO shall submit a Hazardous Material and Waste Management Plan (HMWMP) to the County Office of Environmental Health Services (EHS), Fire Department and Planning & Development (P&D) Department for all facilities. The HMWMP shall be reviewed and approved by EHS, Fire, and P&D, prior to start-up of the expanded facility.

The Plan shall demonstrate compliance with the provisions of the Uniform Fire Code as adopted in Chapter 15 of the Code of Santa Barbara County and the provisions of the Health and Safety Code §25500 et seq, Chapter 6.95 Business Plan Requirements, with the exception of emergency response procedures which are complied with in Condition P-3.

The Hazardous Material and Waste Management Plan shall include but not be limited to the following:

- a. Locations and methods for storing hazardous materials and wastes.

- b. Treatment procedures, or justification where none are used, to reduce the hazardous nature of the materials before they are permitted to leave the site.
- c. Specific routes for transportation of hazardous waste materials to Class I disposal sites consistent with County policy.
- d. Letter of commitment that the materials are transferred by a carrier licensed in hazardous material transport.
- e. Letter of commitment ensuring complete accounting of intake, processing, and exit of hazardous material and wastes.
- f. Detailed description of a monitoring system to be installed, capable of detecting hazardous material and wastes that may escape from primary storage devices.
- g. A revised Hazardous Materials Business Plan which accurately reflects the revised chemical inventory of the project site to Environmental Health Services for review and approval, in accordance with the California Health & Safety Code, Chapter 6.95, Section 25,500 et seq.

The HMWMP shall be a dynamic document and, as such, shall be jointly reviewed by the County and POPCO, and revised as appropriate every three years or when warranted to incorporate new planning strategies, changes in procedures, new technologies, or changes in materials. Any changes requested by POPCO or required by the County shall be submitted to EHS, Fire, and P&D for their review and approval, prior to implementation.

P-6. NGL Pipeline and NGL Inventory Management Plan

Prior to operation of the expanded gas plant, POPCO shall construct and operate, or participate in the construction and operation of a pipeline, or use a pipeline constructed and operated by others, that connects ~~POPCO's facilities~~ the gas plant to Exxon's the SYU facilities for the purpose of maximizing pipeline shipment of NGLs and minimizing truck transportation and storage of NGLs at POPCO.

Prior to operation of the expanded gas plant, POPCO shall have obtained approval from the Planning and Development Department and the SSRRC of an NGL Inventory Management Plan describing its best management practices for storing NGLs so as to reduce the risks associated with NGL storage at POPCO.

In order to make the determination of the need for the study and additional mitigation identified in Condition P-11, POPCO shall have received a determination of application completeness for the NGL pipeline from the Planning and Development Department prior to issuance of the Land Use Permit for the expanded gas plant. Such application shall include a draft NGL Inventory Management Plan.

P-7. Transportation Risk Management & Prevention Program for NGLs and LOX

POPCO shall prepare and implement a Transportation Risk Management and Prevention Program (TRMPP) which meets County of Santa Barbara approval for natural gas liquids (NGLs) and for liquid oxygen (LOX) which is consistent with Board Resolution No. 93-480. The TRMPP shall provide administrative controls including but not limited to, the following:

- Strict hiring policies for drivers;
- Training for drivers;
- Prevention of drug and alcohol abuse;
- Truck speed enforcement;
- Penalties for violations;
- Improved truck design;
- Vehicle inspections;

- Vehicle maintenance;
- Emergency response;
- Unloading procedures;
- Use of DOT-rated trucks for shipping NGLs; and
- Contribution to State Route 166 CHP program.

Prior to the issuance of the Land Use Permit, POPCO shall obtain review and approval of the TRMPP from Planning and Development.

P-8. Fire Protection System at Slug Separator/Pig Receiver

In order to mitigate significant impacts identified in 94-EIR-002, POPCO shall provide 1500 gallons per minute water coverage simultaneously on any two sides of the slug separator/pig receiver area for a total of 3000 gallons per minute. This system shall provide fire protection to both the slug separator and the pig receiver to mitigate the consequence of a flammable event in these areas.

Prior to issuance of the Land Use Permit, POPCO shall obtain SSRRC review and Fire Department approval of final construction drawing(s) for the gas plant expansion which include the demonstration and/or installation of this system. The system shall be operable prior to start-up of the expanded facility.

P-9. Automatic Shutdown System

In order to reduce the amount of gas released during a leak or line rupture, POPCO shall install a high integrity automatic shutdown system in the area from the Feed Gas Water Separator (V-100 A/B) through the Main Separator (V-102 A/B).

Prior to issuance of the Land Use Permit, POPCO shall obtain review and approval from the SSRRC of final construction drawing for the gas plant expansion which include the installation of this system. The system shall be installed prior to start-up of the expanded facility.

P-10. Emergency Shutdown Device at Stabilizer Reflux Pumps

POPCO shall install an emergency shutdown device and automatic isolation valve on the suction (low pressure) of the Stabilizer Reflux Pumps in order to mitigate impacts associated with a release of flammable material from the Stabilizer Reflux Accumulator. Prior to issuance of the Land Use Permit, POPCO shall obtain review and approval from the SSRRC of final construction drawing(s) for the gas plant expansion which include the installation of this device. The device shall be installed prior to start-up of the expanded facility.

P-11. Reduction of Risk to Administration Building

If the pipeline to be built and used to accomplish the intent of Condition P-6 above would result in storage of NGLs at POPCO in more than three of the existing five storage vessels, then, prior to the issuance of the Land Use Permit, POPCO shall conduct a study approved by the SSRRC and the Planning and Development Department, to evaluate and identify measures to reduce to the maximum extent feasible, exposure to explosion overpressure impacts at the Administration Building due to the presence of the surrounding processing facilities. The study shall consider, and modify as necessary, the NGL Inventory Management Plan required by Condition P-6 to manage the volumes of NGLs to be stored in the NGL storage bullets at POPCO so as to reduce risk of explosion. POPCO shall implement specific feasible risk reduction measures identified by the study prior to operation of the expanded gas plant.

If the pipeline to be built and used pursuant to Condition P-6 above would result in storage of NGLs at POPCO in three or fewer of the five existing storage vessels, then, prior to operation of the expanded gas plant, POPCO

shall have obtained approval of the NGL Inventory Management Plan required by Condition P-6. Other requirements identified in the paragraph above shall not be required.

P-12. Separation/Barrier Between LOX System and Ignition Sources

Prior to operation of the expanded gas plant, POPCO shall reduce the risk associated with the liquid oxygen (LOX) system as described below:

(1) provide a minimum separation distance of 230 feet between the LOX storage tank and vaporizer and any potential ignition sources (e.g. combustion air intake manifolds and the sulfur pit) reduce the consequence of a large leak from the LOX tank. However, upon demonstration by POPCO to the satisfaction of the SSRRC and the Planning & Development Department that 230 feet of separation is not feasible, POPCO shall:

(2) install physical barriers surrounding the liquid oxygen tank to prevent impact from vehicular traffic and provide restrictions on maintenance activities involving crane access and administrative controls which would severely limit or prevent the lifting of heavy equipment over the liquid oxygen tank while in service.

Prior to issuance of the land use permit, POPCO shall obtain SSRRC approval of final construction drawings which depict either the 230-foot spacing (1 above) or the physical barriers (including maintenance restrictions and administrative controls) to be constructed (2 above).

P-13. Risk Management and Prevention Plan

Prior to start-up of the expanded facility, POPCO shall obtain review and approval from Environmental Health Services of a revised Risk Management and Prevention Plan prepared as required by Chapter 6.95, Article 2 of the California Health and Safety Code.

P-14. POPCO/~~Exxon~~ SYU NGL Flowline

The County's intent in approving the construction and operation of the NGL flowline from the POPCO Gas Plant to ~~Exxon~~ the SYU (93-DP-015(AM01)) is, in part, to reduce risks associated with NGL truck transport. Therefore, POPCO shall transport all NGLs from its Las Flores Canyon gas plant to ~~Exxon's~~ the SYU Stripping Gas Treating Plant via the NGL flowline pursuant to 93-DP-015(AM01). With the exception of upset conditions, or other conditions described in POPCO's approved NGL Inventory Management Plan (Condition P-6), POPCO shall receive prior written approval from the County for the transport of NGLs from its Las Flores Canyon facilities other than to ~~Exxon~~ the SYU via the NGL flowline. (*Added February 14, 1997; 93-FDP-15(SC02)*)

P-15. POPCO To Submit Final Synergy Project Design To SSRRC

POPCO shall provide final design deliverables that document the interdependence between the facilities (POPCO and ~~ExxonMobil~~ SYU) to the SSRRC for review and comment prior to startup. The documents shall include the following:

- Final Piping and Instrumentation Diagrams (P&IDs) showing operating controls;
- Maintenance program changes for the new or modified systems;
- Process controls philosophy for POPCO and ~~ExxonMobil~~ Distributed Control Systems;
- Cause/Effect logic for emergency shutdown of each individual feed (or systems) in case of an upset;
- Corrosion inspection data for turndown contactor which has been out of service;
- Confirmation of the equipment sizing basis to handle increased throughput at POPCO SRU and ~~Exxon~~ SYU TGPU;
- Preparation of operating and commissioning procedures; and,

- Operator training and cross training.

Q. ABANDONMENT

Q-1. Abandonment Determination

When annual average operational throughput of gas processing facilities over any twelve (12) consecutive month period is at or below 1.8 MMSCFD of produced gas on an average annual basis, the Planning Commission shall review this Final Development Plan at a properly noticed public hearing to determine if facility abandonment or facility modifications are appropriate. The 1.8 MMSCFD "trigger" for review of the FDP represents three percent (3%) of the maximum permitted operating capacity of 60 MMSCFD. If, in the future, the County adopts a different trigger to initiate abandonment or the review of the need for permit modifications due to very low throughput, POPCO shall comply with such County policy.

Q-2. Abandonment Procedures

Immediately following permanent shut down of the facilities permitted herein, POPCO shall abandon and restore all facility sites covered under this permit consistent with County policies on abandonment and restoration of said facilities in effect at that time. Absent any policies, POPCO shall remove any and all abandoned processing facilities and portions of the import pipeline, buried or unburied, constructed and/or operated under this permit, excavate any contaminated soil, re-contour all sites and revegetate all sites in accordance with a County approved abandonment and restoration plan within one year of permanent shut down. POPCO shall post a performance bond, or other security device acceptable to County Counsel, in an amount determined by the County.

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**LAS FLORES PIPELINE SYSTEM
FINAL DEVELOPMENT PLAN CONDITIONS**

88-DPF-033 (RV01)z, 88-CP-60 (RV01)

(88-DPF-25cz; 85-DP-66cz; 83-DP-25cz)

December 12, 1988

Modified May 2003

**~~(Modified on September 19, 2023 with the Change of Ownership, Change of Guarantor, and
Change of Operator for the Las Flores Pipeline System [Lines 901/903])~~**

**(Modified on October 30, 2024 with the Change of Guarantor and Operator to Sable Offshore
Corp)**

These conditions of approval have been revised to list the new owner, guarantor, and operator, and remove all previous owners, guarantors, and operators that no longer serve such role. Text that has been added is shown in underline, and text that has been removed is shown in ~~strikeout~~.

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**LAS FLORES PIPELINE SYSTEM
FINAL DEVELOPMENT PLAN CONDITIONS**

88-DPF-033 (RV01)z, 88-CP-60 (RV01)

(88-DPF-25cz; 85-DP-66cz; 83-DP-25cz)

December 12, 1988

Modified May 2003

**(Modified on September 19, 2023 with the Change of Ownership, Change of Guarantor, and
Change of Operator for the Las Flores Pipeline System [Lines 901/903])**

**(Modified on October 9, 2024 with the Change of Guarantor and Operator to Sable Offshore
Corp.**

~~The current owner and operator of record for the Las Flores Pipeline System (previously the All American Pipeline) is Pacific Pipeline Company, referred to herein as PPC. ExxonMobil Pipeline Company (EMPCo) serves as the pipeline operator. ExxonMobil Corporation is identified as sole guarantor and carries in excess of \$100 million insurance coverage, as required by the Office of Oil Spill Prevention and Response. PPC is directly wholly owned by Mobil Pacific Pipeline Company, and indirectly wholly owned by Exxon Mobil Corporation. EMPCo is directly wholly owned by Exxon Pipeline Holdings LLC, and indirectly wholly owned by ExxonMobil Corporation.~~

A. GENERAL

Owner: Pacific Pipeline Company, a wholly owned subsidiary of Sable Offshore Corporation (Sable), is the currently listed Owner of the Las Flores Pipeline System.

Operator: Sable is the currently listed Operator of the Las Flores Pipeline System.

Guarantor: Sable is the currently listed Guarantor of the Las Flores Pipeline System.

A-1. Acceptance of Permit Conditions

Acceptance of this permit shall be deemed as acceptance of all final conditions of this permit, except that PPC reserves the right to pursue any remedy for any legal violations imposed directly or indirectly by these permit conditions.

A-2. Grounds for Permit Modification or Revocation

If the Planning Commission determines at a noticed public hearing that PPC is not in compliance with any permit condition(s), pursuant to the provisions of Sec. 35-185 of Article II and/or Sec. 35-330 of Article III of the Santa Barbara County Code, the Planning Commission is empowered, in addition to revoking the permit pursuant to said section, to amend, alter, delete, or add conditions to this permit. *(modified by the Planning Commission on September 6, 2000)*

A-3. Court Costs

PPC agrees as a condition of the issuance and use of this permit to defend at its sole expense any action brought against the County by a third party challenging either its decision to issue this permit or the manner in which the County is interpreting or enforcing the conditions of the permit. PPC will reimburse the County for any court costs and attorneys fees which the County may be required by a court to pay as a result of such action where PPC defended or had control of the defense of the suit. County may, at its sole discretion, participate in the defense of any such

action, but such participation shall not relieve PPC of its obligation under this condition. County shall bear its own expenses for its participation in the action.

A-4. Costs of Implementing and Enforcing Conditions

The permittee shall make an initial deposit to a fund to permit the County to adequately implement and enforce the conditions imposed by this permit and applicable County ordinances and/or the conditions of this permit, if such a fund is established. If the Board of Supervisors determines that a reasonable enforcement fund is needed, the Director of the Planning and Development Department shall present to the Board of Supervisors and the permittee a plan for enforcement within one year from the effective date of this permit. This plan shall set forth the staffing requirements and materials necessary for such enforcement and the estimated costs thereof. This plan shall provide that all reasonable expenses incurred by the County or County contractors, for permit condition implementation, reasonable studies, and emergency response directly and necessarily related to enforcement of these permit conditions shall be reimbursed by PPC/Sable within 30 days of invoicing by County.

A-5. Civil Penalties

In the event that PPC fails to comply with any order of the Administrative Officer or the Board of Supervisors issued hereunder or any injunction of the Superior Court, it shall be liable for a civil penalty for each violation to the extent imposition of such civil penalty is authorized by applicable laws, rules, or regulations.

Said civil penalty shall be in addition to PPC's obligation, if any, to reimburse the County of Santa Barbara (and others) for actual damages suffered as a result of PPC's failure to abide by the conditions of this permit or by the orders of the Administrative Officer, the Board of Supervisors, or any court of competent jurisdiction.

A-6. Access to Records and Facilities

As to any condition which requires for its effective enforcement the inspection of construction records or records pertaining to facility operations, or the facilities themselves by County or its duly authorized agents, PPC will make all necessary records available or provide access to such facilities upon reasonable notice from County. County agrees to keep such information confidential where permitted by law and requested by PPC in writing.

A-7. Substantial Conformity

The procedures, operating techniques, design, equipment and other descriptions (hereinafter procedures) described in 83-DP-25 cz, 83-CP-97 cz, and in subsequent clarifications and additions to that application and the Final Development Plan are incorporated herein as permit conditions and shall be required elements of the project. Since these procedures were part of the project description which received environmental analysis, a failure to include such procedures in the actual project could result in significant unanticipated environmental impacts. Therefore, modifications of these procedures will not be permitted without a determination of substantial conformity or a new or modified permit. The use of the property and the size, shape, arrangement and location of buildings, structures, walkways, parking areas and landscaped areas shall be in substantial conformity with the approved Final Development Plan.

A-8. Authority for Curtailment

In addition to the authority to enforce and secure compliance with the provisions of this permit under Division 12, Coastal Zoning Ordinance of the Santa Barbara County Code and Division 7, General Regulations, Article III Santa Barbara County Zoning Ordinance, the County Administrative Officer, or in his/her absence a designated appointee, may order that curtailment of activities which is required to protect the public health and safety. Said action may include, but is not limited to, ordering temporary, partial or total facility shutdown.

Such an order shall be made only in the event that the Administrative Officer has reasonable and probable cause to believe that continued unrestrained activities of permittee will likely result in or threaten to result in danger to public health, welfare, or safety, or in the environment and provided such violations can be expected to continue or recur unless operations are in whole or in part shut down or reduced pending the necessary corrections.

Before issuing any curtailment order, the County Administrative Officer shall set a time for hearing and shall give written notice of the time and place of the hearing and of the alleged violations. Such notice shall be received by the person in charge of the operation of the facility at least 24 hours before the hearing at which time there will be an opportunity for all concerned parties to present evidence regarding the alleged violations. The notice may be served in person or by certified mail.

In the event the Administrative Officer, or in his/her absence the designated appointee, determines that there is an imminent danger to the public health and safety resulting from violations, he/she may summarily order the necessary curtailment of activities without hearing and such order shall be obeyed upon notice of same, whether written or oral. At the same time that notice of the order is conveyed, the Administrative Officer shall set a date, time and place for a publicly noticed hearing and review of said order as soon as possible which date shall be no later than 24 hours after such order is issued or served. Said hearing shall be conducted in the same manner as a hearing on prior notice. After such hearing, the Administrative Officer may modify, revoke, or retain the emergency curtailment order.

Any order of the Administrative Officer may be appealed to the Board of Supervisors within three working days after such order is made.

If such appeal is not filed with the Board of Supervisors, the Administrative Officer's order becomes final. If there is an appeal, the order of the Administrative Officer shall remain in full force and effect until action is taken by the Board of Supervisors. The decision of the Board of Supervisors shall be a final Administrative Action. Such decision shall not preclude ~~AAPLP~~ PPC from seeking judicial relief.

Once PPC has shown that the conditions of violation no longer exist and are not reasonably likely to recur, the Administrative Officer shall modify the curtailment order to account for such compliance and shall entirely dissolve the order when it is shown that all of the violations have been corrected and are not likely to recur.

A-9. Conditions Separately Remain in Force

In the event that any condition contained herein is determined to be invalid, then all remaining conditions shall remain in force.

A-10. Conflicts Between Conditions

In the event that any condition contained herein is determined to be in conflict with any other condition contained herein, then where principles of law do not provide to the contrary, the condition most protective of public health and safety and natural environmental resources shall prevail to the extent feasible.

A-11. Injunctive Relief

In addition to any administrative remedies or enforcement provided hereunder, the County may seek and obtain temporary, preliminary, and permanent injunctive relief to prohibit violation of the conditions set forth herein or to mandate compliance with the conditions herein.

All remedies and enforcement procedures set forth herein shall be in addition to any other legal or equitable remedies provided by law.

A-12. Owner/Operator Liability

The owner and the operator of the facility shall be jointly and severally liable without regard to fault for all legally compensable damages or injuries suffered by any property or person that result from or arise out of any oil, water spillage, fire, explosion, odor, or air pollution, in any way involving oil or gas or the impurities contained therein or removed therefrom and which arises out of construction or operation of PPC's facilities. For the purpose of this condition, the "facility" shall be deemed to include all facilities described and approved pursuant to 83-DP-25cz, 83-CP-97cz.

This condition shall not inure to the benefit of any of the owners of the pipeline, including the United States Government. This declaration of strict liability and the limitations upon it shall be governed by the applicable law of California on strict liability.

A-13. Facility Throughput and Source Limits

All facilities constructed under this permit shall be used only for the shipment of a maximum volume of heated crude oil demonstrated to be within the design parameters of the pipeline facilities as built. The subject volumes will be outer continental shelf (OCS) and other locally produced onshore and offshore petroleum from the Santa Barbara and Santa Maria Basins. PPC shall obtain a new or modified permit, or authority to continue operation under the existing permit prior to undertaking any of the following activities which may, in the judgment of the County, result in significant changes to the impacts on the County. Such changes could include but not be limited to: 1) major pipeline or pump station modifications; 2) major changes in pipeline throughput; 3) introduction of production to the pipeline from sources other than those described above; and 4) introduction of a different product from any source.

Other source volumes may be transported subject to a determination of substantial conformity by the Planning Commission and a finding of facts and determination that project impacts will not be increased by transporting and processing those other sources.

A-14. Pipeline Alignment

The permittee shall align the pipeline corridor from the coastal starting point to the County exit point in the western Cuyama valley according to the route approved by the County. The permittee shall locate and construct all isolation valves as identified by the final approved alignment.

A-15. Permit Violations

Any person, firm or corporation, whether as a principal, agent, employee, or otherwise, found to be in violation of any provisions or conditions of this ordinance or permits, shall be punishable as set forth in the applicable section of the Coastal Zoning Ordinance, and Article III of the Santa Barbara County Code.

Each and every day during any portion of which any violation of this Article or the rules, regulations, orders, or permits issued thereunder, is committed, continued, or permitted by such person, firm or corporation shall be deemed a separate and distinct offense.

A-16. Board of Supervisors Authority to Change County Department Responsible for Condition

The Santa Barbara County Board of Supervisors in a noticed public hearing shall have the authority to specify or change the Santa Barbara County Department responsible for any conditions contained herein.

A-17. Fees as Mitigation Measures

Should circumstances, including legal or legislative action, cause the County to lose its authority or have its authority fundamentally reduced to assess fees as a method to mitigate project-related impacts, then other feasible mitigation measures shall be imposed which will substantially lessen the significant impact formerly mitigated by the imposition of fees. Within six months of the County's loss of such authority, feasible alternative mitigation measures shall be imposed as replacement permit conditions. Alternatively, the County in a noticed public hearing must find that no feasible mitigation measures are available and that the benefits of the project outweigh the significant environmental impacts.

A-18. Payment of Attorney's Fees and Costs

Should legal action be required by either party to enforce any rights in connection with this permit the prevailing party shall be entitled to reasonable attorney's fees and costs pursuant to Civil Code 1717.

A-19. Applicability of Conditions to Construction and Operation

Unless otherwise specified, these permit conditions are intended to apply during both the construction and the operation of the permitted facilities.

A-20 Project Description

The Development Plan Revision (88-DP-33) and Conditional Use Permit Revision (88-CP-60) are based upon and limited to compliance with the project description and conditions of approval adopted for the Gaviota Creek Pipeline Lowering and Relocation Project, as documented in 00-ND-21 and the September 6, 2000 staff report. Any deviations from the project description, exhibits or conditions must be reviewed and approved by the County for conformity with this approval. Deviations may require approved changes to the permit and/or further environmental review. Deviations without the above described approval will constitute a violation of permit approval. The project description is summarized as follows:

- Relocate the existing Gaviota Creek pipeline crossing by re-burying the 30" crude oil pipeline at least 10 feet into bedrock immediately upstream from their existing crossing;

- Remove the existing, exposed pipeline segment in Gaviota Creek;
- Restore and revegetate the disturbed area; and
- Monitor the crossing to ensure erosion control and revegetation efforts are successful.

The grading, development, use, and maintenance of the property, the size, shape, arrangement, and location of structures, parking areas and landscape areas, and the protection and preservation of resources shall conform to the project description and the associated hearing exhibits and conditions of approval. The property and any portions thereof shall be sold, leased or financed in compliance with this project description and the approved hearing exhibits and conditions of approval hereto. All plans must be submitted for review and approval and shall be implemented as approved by the County. *(adopted by the Planning Commission on September 6, 2000)*

A-21

Any use authorized Conditional Use Permit Revision (88-CP-060 RV01) shall immediately cease upon expiration or revocation of this Conditional Use Permit. Any Coastal Development issued pursuant to this Conditional Use Permit shall expire upon expiration or revocation of the Conditional Use Permit. Conditional Use Permit renewals must be applied for prior to expiration of the Conditional Use Permit. *(adopted by the Planning Commission on September 6, 2000)*

A-22

Within 18 months after the effective date of Conditional Use Permit Revision (88-CP-060 RV01), construction and/or the use shall commence. Construction or use cannot commence until a Coastal Development Permit has been issued. Failure to commence the construction and/or use pursuant to a valid Coastal Development Permit shall render the Conditional Use Permit null and void. All time limits may be extended by the Planning Commission for good cause shown, provided a written request, including a statement of reasons for the time limit extension request is filed with Planning and Development prior to the expiration date. *(adopted by the Planning Commission on September 6, 2000)*

A-23

Approval of the Final Development Plan Revision (88-DP-33 RV01) shall expire five (5) years after approval by the Planning Commission, unless prior to the expiration date, substantial physical construction has been completed on the development or a time extension has been applied for by the applicant. The decisionmaker with jurisdiction over the project may, upon good cause shown, grant a time extension for one year. *(adopted by the Planning Commission on September 6, 2000)*

A-24

Before using any land or structure, or commencing any work pertaining to the erection, moving, alteration, enlarging, or rebuilding of any building, structure, or improvement, the applicant shall obtain a Coastal Development and Building Permit from Planning and Development. These Permits are required by ordinance and are necessary to ensure implementation of the conditions required by the Planning Commission. Before any Permit will be issued by Planning and Development, the applicant must obtain written clearance from all departments having conditions; such clearance shall indicate that the applicant has satisfied all pre-construction conditions. A form for such clearance is available from Planning and Development. *(adopted by the Planning Commission on September 6, 2000)*

A-25

All applicable final conditions of approval shall be printed in their entirety on applicable pages of grading/construction or building plans submitted to P&D or Building and Safety Division. These shall be graphically illustrated where feasible. *(adopted by the Planning Commission on September 6, 2000)*

A-26

The applicant shall ensure that the project complies with all approved plans and all project conditions including those which must be monitored after the project is built and occupied. To accomplish this the applicant agrees to:

1. Contact the Energy Division as soon as possible after project approval to provide the name and phone number of the future contact person for the project and give estimated dates for future project activities.
2. Contact the Energy Division at least two weeks prior to commencement of construction activities to schedule an on-site pre-construction meeting with the owner, planner, other agency personnel and with key construction personnel.
3. Contact the State Parks archaeologist one week prior to commencement of any project activities on the site, including pre-construction activities.
4. Pay fees to cover full costs of consultants and staff time and monitoring (EQAP program). In the event of a dispute, the decision of the Director of P&D shall be final. *(adopted by the Planning Commission on September 6, 2000)*

A-27

Developer shall defend, indemnify and hold harmless the County or its agents, officers and employees from any claim, action or proceeding against the County or its agents, officers or employees, to attack, set aside, void, or annul, in whole or in part, the County's approval of the Final Development Plan Revision (88-DP-33 RV01) and Conditional Use Permit Revision (88-CP-060 RV01). In the event that the County fails promptly to notify the applicant of any such claim, action or proceeding, or that the County fails to cooperate fully in the defense of said claim, this condition shall thereafter be of no further force or effect. *(adopted by the Planning Commission on September 6, 2000)*

A-28

In the event that any condition imposing a fee, exaction, dedication or other mitigation measure is challenged by the project sponsors in an action filed in a court of law or threatened to be filed therein which action is brought within the time period provided for by law, this approval shall be suspended pending dismissal of such action, the expiration of the limitation period applicable to such action, or final resolution of such action. If any condition is invalidated by a court of law, the entire project shall be reviewed by the County and substitute conditions may be imposed. *(adopted by the Planning Commission on September 6, 2000)*

A-29

Within 60 days of completion of the Gaviota Creek Pipeline Lowering and Relocation project, the permittee shall submit as-built drawings to the Energy and Building and Safety Divisions. *(adopted by the Planning Commission on September 6, 2000)*

A-30

Within 60 days of completion of the Gaviota Creek Pipeline Lowering and Relocation project, the permittee shall revise their Operations and Maintenance Manual to reflect the changes to the pipeline. Revisions shall be copied to the Energy and Building and Safety Divisions. *(adopted by the Planning Commission on September 6, 2000)*

A-31

The Gaviota Creek Pipeline Lowering and Relocation project is estimated to take a maximum of 5 weeks. If earthmoving work extends past November 1, the Energy Division shall convene a meeting between the permittee and all responsible agencies to decide on the appropriate action. If the Planning Director determines that work cannot continue due to impacts on sensitive resources (e.g., steelhead migration, red-legged frog breeding season), or the potential for increased sedimentation and erosion, work shall be suspended.

B. PERMIT REVIEW

B-1. System Safety and Reliability Review Committee (SSRRC) Review Prior to Construction

Prior to initiation of construction activity (such as ROW preparation, river crossings or pump station construction), the permittee shall submit to the System Safety and Reliability Review Committee (established by condition P-1) relevant construction drawings and supporting text demonstrating compliance with the appropriate conditions. Construction may not commence until County has reviewed and/or approved this submittal, consistent with the SSRRC review specified in Conditions P-1 and P-2. Within 15 days of submittal, County shall either give written notice to proceed with construction or indicate in writing conditions which have not been met. When such conditions have been met construction approval shall be granted.

B-2. Imposition of New and Comprehensive Review of Conditions

If at any time County determines that these permit conditions are inadequate to effectively mitigate significant environmental impacts caused by the project, or that recent proven technological advances could provide substantial additional mitigation, then additional reasonable conditions shall be imposed to further mitigate these impacts. Imposition of such conditions shall only be considered and imposed as part of the County's comprehensive review of the project conditions. County shall conduct a comprehensive review of the project conditions and consider adding reasonable conditions which incorporate proven technological advances three years after permit issuance and at appropriate intervals thereafter. A comprehensive review of conditions which are not effectively mitigating impacts may be conducted at any appropriate time. Upon written request of PPC, the Board of Supervisors shall determine whether the new condition required is reasonable considering the economic burdens imposed and environmental benefits to be derived.

B-3. Authority to Impose Feasible Mitigations

This permit is premised upon findings that where feasible, all significant environmental effects of the project identified in the EIR/EIS (State Clearinghouse No. 83110902), which occur in Santa Barbara County, will be substantially mitigated by the permit conditions. Prior to approval of the Final Development Plan, County shall review any findings that identified certain mitigation measures as being in the primary jurisdiction of another agency but are also within County's jurisdiction. County shall thereupon determine either (1) that such mitigation has or is being implemented by such other agency or (2) that such other agency and County determine such mitigation to be infeasible. If County determines that no other agency is or may be implementing such feasible mitigation measures then County may impose those feasible measures within its jurisdiction to mitigate those environmental impacts in accordance with appropriate mitigation measures identified by the EIS/R.

B-4. Coordination Plan for the Use of a Shared Pipeline Corridor

Prior to approval of the Final Development Plan, the permittee shall develop and submit to the Planning and Development Department for approval a plan to co-ordinate the placement and timing of their pipeline with SCPS's pipeline (or other potential proposals for use of the same corridor for a pipeline). Any agreements between the permittee and SCPS (or other applicant) necessary to implement this plan shall be subject to review and verification by the Planning and Development Department to assure the purpose of the plan will be achieved. The expressed purpose of this co-ordination plan shall be:

- 1) arrangement of simultaneous construction where practical;
- 2) engineering of pipe placement within the ROW to minimize incremental widening of the initial construction corridor during subsequent pipeline projects;
- 3) identification of segments where incremental widening of the ROW is constrained and alternative engineering techniques which may allow construction of subsequent pipelines (and potential limitations of future pipeline use of the ROW); and
- 4) timing and design of revegetation plans to promote effective revegetation but minimize unnecessary duplication of efforts.

Should SCPS or any other applicant abandon their pipeline project, or fail to submit a Final Development Plan prior to pipeline construction, this condition may be modified to reflect the existing situation but maintain the intent of this condition.

B-5. Resolution of Scheduling Conflicts Among Conditions of Approval

In the event that scheduling requirements among or between conditions in this permit (or with this permit and conditions imposed by other agencies) conflict with respect to timing, the Planning and Development Department (in consultation with other agencies as appropriate) shall resolve such conflict.

B-6. Cooperation with San Luis Obispo County for Pipeline Permitting

Applicant shall cooperate as necessary with San Luis Obispo County in the permitting, design, and construction of those segments of the pipeline which could affect Santa Barbara County. The intent of this condition is to ensure that potential impacts to Santa Barbara County are mitigated to the maximum extent feasible by these permit conditions, regardless of the location of the source of the impact.

B-7. P&D Authorization Prior to Construction

Prior to commencing any construction activities in Santa Barbara County, the permittee shall obtain a letter from the Director of the Planning and Development Department indicating that all conditions which require approval prior to construction, as specified by this permit, have been satisfied.

B-8. P&D Authorization Prior to Start-Up

Prior to start-up of the pipeline in Santa Barbara County, the permittee shall obtain a letter from the Director of the Planning and Development Department indicating that all conditions which require approval prior to start-up, as specified by this permit, have been satisfied.

B-9. Adequacy of Submittals to be Determined by the Planning Commission

In the event that PPC and staff cannot reach an agreement on the adequacy of any submittal required by these conditions, the matter will be brought before the Planning Commission for resolution at the earliest possible date.

C. MANAGEMENT

C-1. Environmental Quality Assurance Program (EQAP)

The permittee shall prepare an Environmental Quality Assurance Program (EQAP) for Resource Management Department approval prior to the Final Development Plan. This EQAP shall encompass both the construction and operation phases of the project, and shall describe the steps the permittee will take to assure compliance with these conditions. This plan is intended to provide a framework for all other programs and plans specified by these conditions as required prior to approval of the Final Development Plan. As such, it will become a comprehensive reference document for the County, other agencies, and the public regarding the project.

This plan shall provide for the submission to the Planning and Development Department semi-annual reports throughout construction and annual reports during operations. These reports shall describe:

- a) Project status, including but not necessarily limited to:
 - i) extent to which construction has been completed,
 - ii) the rate of production/throughput during operation,
 - iii) environmental planning and implementation efforts, and
 - iv) any revised time schedules or timetables of construction and operation that will occur in the next one year period.
- b) Permit condition compliance, including but not necessarily limited to the results of the specific mitigation requirements identified in these conditions.
- c) Results and analyses of all data collection efforts being conducted pursuant to these permit conditions.

The program shall include (or if separate plans exist, reference) all plans relevant to construction and operations of the pipeline facilities specified by these conditions.

Construction

The program shall include all plans relevant to construction activities such as the Restoration, Erosion Control and Revegetation Plan and the Cultural Resources Mitigation Plan.

The program shall include provisions for at least one managing environmental coordinator with overall responsibility, and if necessary, one onsite environmental coordinator per construction site during the construction phase. These coordinators shall be approved by and be responsible to the Planning and Development Department. PPC shall fund the coordinator(s). The number of coordinators necessary shall be determined according to the amount of simultaneous construction activity occurring in geographically separate areas. The responsibilities of the coordinator(s) are to include:

- a) on-site, day-to-day monitoring of construction activities;
- b) ensuring contractor knowledge of and compliance with all appropriate permit conditions;
- c) evaluating the adequacy of construction impact mitigations, and proposing improvements to the contractors, the permittee, and County;

- d) having the authority to require correction of activities observed to violate project environmental conditions or that represent unsafe or dangerous conditions, and having the ability and authority to secure compliance with the conditions or standards through the County Administrative Officer as described in condition A-8, if necessary;
- e) performing as contact for affected property owners and any other affected persons that wish to register observation of environmental permit violations and/or unsafe conditions, receiving any complaints, immediately contacting the permittee's onsite construction representative, verifying any such observations and developing any necessary corrective actions in consultation with the permittee's onsite construction representative;
- f) maintaining prompt and regular communication with the Planning and Development Department, Public Works Department, or other appropriate County agency, and with permittee personnel responsible for contractor performance and permit compliance.

In the event that resolution of disputes between the public and/or governmental agencies and the permittee over adherence to permit conditions is not achieved by the managing environmental coordinator, an arbitration system shall be utilized to resolve such disputes in a timely manner in order to minimize the need to halt construction activities as per conditions A-2 or A-8.

The coordinator(s) shall be thoroughly familiar with all plans and requirements set forth in the permit conditions. Prior to construction start-up, the managing coordinator shall discuss with other agency inspectors or monitoring personnel, inspection programs, areas of jurisdiction, responsibility, and define methods of avoiding disputes or construction delay due to agency disagreements.

Selection of the necessary coordinators shall be made, and the person(s) available, prior to issuance of the Coastal Development Permit and Land Use Permit.

Operations

The program shall include all plans related to operations, such as the Emergency Response Plan, Oil Spill Contingency Plan, and Landscaping Plan, as well as specific conditions not required in formal plans. It may also include any procedures not specified by these conditions but relevant to environmental protection and safety. Operational Compliance Plans shall be updated as necessary to reflect any approved change of operator within six months after assuming operations in accordance with County Code Section 25B-10(a)(6).

C-2. 24-Hour Emergency Contact

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall provide to the Planning and Development Department and the Emergency Services Coordinator the current name and position, title, address, and 24-hour phone numbers of the field agent, person in charge of the facility, and other representatives who shall receive all orders and notices, as well as all communications regarding matters of condition and permit compliance at the site and who shall have authority to implement a facility shutdown pursuant to condition A-8 in this Ordinance.

There shall always be such a contact person(s) designated by the permittee. One contact person shall be available 24 hours a day during all phases of the project in order to respond to inquiries received from the County, or from anyone in case of an emergency.

If the address or phone number of the agent should change, or the responsibility be assigned to another person or position, PPC shall provide to the Planning and Development Department the new information within seven days.

C-3. Provide Copies of Permits to P&D

PPC shall furnish to the Planning and Development Department copies of all County permit applications relative to the project once submitted, and of permits within 30 days of receipt by PPC.

D. AIR QUALITY

D-1. Statement of Scope

Nothing contained herein shall be construed to permit a violation of any applicable air pollution law, rule, or regulation.

D-2. Authority to Construct

Prior to initiation of construction, including grading, of any facilities approved pursuant to this Development Plan, the permittee shall obtain an Authority to Construct permit from the County Air Pollution Control District.

D-3. Agreement to Implement All Air Pollution Control Procedures

PPC agrees to implement all air pollution control procedures as required by APCD and identified in the Final Development Plan (such as water sprays to reduce construction-related fugitive dust).

D-4. Emissions Mitigation

Emissions from any project component that contribute to ozone standard violations must be mitigated to the extent feasible. Effectiveness of mitigation will be confirmed by APCD.

D-5. Deleted.

D-6. Validation Information

Prior to approval of the Final Development Plan, the permittee shall submit to the Planning and Development Department updated estimates of the type and size of helicopters, or other aircraft, to be used during pipeline operations for the aerial surveys of the pipeline route. The information shall also include the estimated operating schedules, frequency and duration of airport calls and other reasonable information as required by APCD. The County may require validation and updating of this information as needed. Should this information reveal significant differences between the estimated air emissions and those analyzed in the EIR/EIS, the APCD may modify air quality permit conditions as necessary to assure consistency with the Air Quality Attainment Plan and Reasonable Further Progress goals.

D-7. Discharge Limitations

All facilities shall be designed, constructed, operated, and maintained, such that the facilities approved under this Development Plan shall not discharge quantities of air contaminants or other materials in violation of Section 41700 of the Health and Safety Code.

D-8. Mitigation Plan for Construction Air Quality Impacts

Prior to the approval of the Final Development Plan, the permittee shall submit to the Director of the Planning and Development Department a plan, approved by the APCD, which includes timing of construction, minimizing soil handling, and other measures to mitigate construction air quality impacts. The plan shall include APCD approved analysis which demonstrates that local, state and federal air quality standards will not be violated as a result of construction activities.

D-9

For the Gaviota Creek Pipeline Lowering and Relocation project, during clearing, grading, earth moving, excavation or transportation of cut or fill materials, water trucks or sprinkler systems are to be used to minimize dust leaving the site and to create a crust after each day's activities cease. During construction, water trucks or sprinkler systems shall be used to keep all areas of vehicle movement damp enough to prevent dust from leaving the site. At a minimum, this would include wetting down such areas in the later morning and after work is completed for the day and whenever wind exceeds 15 miles per hour. Soil stockpiled for more than two days shall be covered, kept moist or treated with soil binders to prevent dust generation. **Plan Requirements:** All requirements shall be shown on construction drawings. **Timing:** Condition shall be adhered to throughout all grading and construction periods. **MONITORING:** Planning and Development shall ensure measures are on plans. Planning and Development's EQAP monitor shall spot check and ensure compliance on-site. APCD inspectors shall respond to any nuisance complaints. *(Mitigation Measure A-1) (adopted by the Planning Commission on September 6, 2000)*

D-10

During construction of the Gaviota Creek Pipeline Lowering and Replacement project, use water trucks 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. Increased watering frequency should be required whenever the wind speed exceeds 15 mph. Reclaimed water should be used whenever possible. **Plan Requirements:** This condition shall be printed on all construction drawings. **MONITORING:** EQAP monitor to spot check in the field. *(Mitigation Measure A-2) (adopted by the Planning Commission on September 6, 2000)*

D-11

During the Gaviota Creek Pipeline Lowering and Replacement project, the permittee shall minimize the amount of disturbed area and ensure that on site vehicle speeds do not exceed 15 miles per hour. **Plan Requirements:** This condition shall be printed on all construction drawings. **MONITORING:** EQAP monitor to spot check in the field. *(Mitigation Measure A-3) (adopted by the Planning Commission on September 6, 2000)*

D-12

For the Gaviota Creek Pipeline Lowering and Replacement project, soil stockpiled for more than two days shall be covered, kept moist or treated with soil binders to prevent dust generation. Trucks transporting fill material to and from the site shall be tarped from the point of origin. **Plan Requirements:** This condition shall be printed on all construction plans. **MONITORING:** EQAP monitor to spot check in the field. *(Mitigation Measure A-4) (adopted by the Planning Commission on September 6, 2000)*

D-13

For the Gaviota Creek Pipeline Lowering and Replacement project, heavy-duty diesel-powered construction equipment manufactured after 1996 (with federally mandated "clean" diesel

engines) shall be utilized wherever feasible. *(Mitigation Measure A-5) (adopted by the Planning Commission on September 6, 2000)*

- a. The engine size of construction equipment shall be the minimum practical size.
- b. The number of construction equipment operating simultaneously shall be minimized through efficient management practices to ensure that the smallest practical number are operating at any one time.
- c. Construction equipment shall be maintained in tune per the manufacturer's specifications.
- d. Construction equipment operating onsite shall be equipped with two to four degree engine timing retard or precombustion chamber engines.
- e. Catalytic converters shall be installed on gasoline-powered equipment, if feasible.
- f. Diesel catalytic converters shall be installed, if available.
- g. Diesel powered equipment should be replaced by electric equipment whenever feasible.
- h. Construction worker trips should be minimized by requiring carpooling and by providing for lunch onsite.

MONITORING: EQAP monitor to spot check in field. *(Mitigation Measure A-5) (adopted by the Planning Commission on September 6, 2000)*

E. GEOLOGY

E-1. Geologic Investigation, Design and Mitigation Program

Prior to the issuance of the Coastal Development Permit and Land Use Permit, the permittee will conduct a route-specific Geologic Investigation, Design, and Mitigation Program. This program shall contain three basic components: 1) a detailed geologic investigation component which defines specific hazards, 2) an engineering design component which details specific engineering plans for each identified hazard along the route, and 3) a geohazards mitigation component which demonstrates how and to what extent each hazard is reduced.

- a) Detailed geologic investigation component:
Where specific hazards have been identified or may occur along the pipeline route or at pump station locations, the permittee will conduct appropriate detailed geologic, seismic, and geotechnical studies to further characterize the specific geologic hazard. These studies will be conducted under the direction of a State of California registered geologist or engineering geologist who will be mutually agreed to by the permittee, the Planning and Development, the Public Works Department, and the Flood Control District. These studies will include but not be limited to investigations of unstable slopes, erodable slopes, lurch/liquefaction susceptible substrate, surface rupture, and river scour characteristics (depth and lateral extent). Methods of investigation shall conform to appropriate geotechnical techniques applicable to each specific hazard. Draft results will be subject to review by County Public Works Department and Flood Control Agency as appropriate prior to finalization of the engineering design. The final report will be submitted with the final engineering design component.
- b) Engineering design component:
The permittee will demonstrate that appropriate geotechnical information from component a) and other applicable recommendations are incorporated into final engineering design of pipeline construction and facilities. This includes but is not restricted to: the development of appropriate ground motion parameters for use in seismic design of critical structures and equipment, unstable slope construction or avoidance techniques, burial depth at all major river crossings, modification of instrumentation, or use of the dual contingency level/operating level earthquake concept, or its equivalent. The designs will be subject to

review by the Department of Public Works and third party technical review as specified in Condition P-1.

c) Geohazards mitigation component:

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee will submit to the Planning and Development Department a detailed geologic hazard mitigation report. The report will outline the hazards identified in part a) of this program and will address how engineering designs as detailed in part b) of this program reduce each specific hazard. This component will also be submitted to the Department of Public Works and Flood Control Agency and will be subject to third party review as specified in Condition P-1.

E-2. Geologic Hazard Monitoring Program

PPC will develop a Monitoring Program for the operations phase to be funded by PPC and staffed as necessary with at least one State of California registered engineer, or engineering geologist, in order to evaluate any hazards identified by routine monitoring. The program will be designed to verify adequate performance or condition of the project components in hazard areas such as river and active fault crossings, and will be subject to approval of the Planning and Development Department prior to issuance of the Coastal Development Permit and Land Use Permit. The monitoring program may in part be incorporated into routine aerial and ground reconnaissance. If the monitoring indicates a potential or actual hazard, appropriate action including, but not limited to, operations curtailment and repairs, will be taken by PPC to mitigate the hazard. PPC will report to the Emergency Services Coordinator any potentially hazardous situations discovered during monitoring. In the case of river crossings at the Santa Ynez, Sisquoc and Cuyama Rivers, a yearly inspection of pipeline burial depth, subject to review by the Planning and Development Department and Flood Control Agency, shall be performed. At crossings of the Santa Ynez and Sisquoc Rivers where channel degradation has reduced the depth of cover to less than four feet below the 100-year scour depth, or other hazardous levels as determined by a professional engineer on the staff of or under supervision of the County Flood Control Agency, or US D.O.T. specifications, relocation or reburial of the pipeline to adequate depth will be required. At the crossing of the Cuyama River, if the inspections reveal that hazardous conditions exist, mitigations such as reconstruction or relocation of the crossing will be required as determined by a professional engineer on the staff of or under supervision of the County Flood Control Agency.

E-3. Inspection of Trench Prior to Pipeline Installation

Inspection of the pipeline trench or trench spoil to identify any potential geologic hazards shall be made by a professional geologist or soils engineer approved by the Planning and Development Department prior to installation of the pipeline. If hazards not previously accounted for in the pipeline design are encountered, appropriate mitigation measures will be developed and must be instigated prior to installation of the pipeline. The results of the inspection will be reported to the engineering geologist of the Public Works Department who will approve prior to, and the supervising environmental coordinator who will insure, application of the necessary mitigation measures. The timing of such inspections shall not result in any unreasonable delays in installation of the pipeline.

E-4. Isolation Valves at Active Fault Crossings

At all places where the pipeline crosses an active fault, according to the Department of Geology and Mining definitions, the permittee will place isolation valves on either side, or design and construct appropriate devices or measures which more effectively mitigate the hazard of the fault crossing. Location and nature of these designs must be approved prior to the issuance of the Coastal Development Permit and Land Use Permit.

E-5. Sisquoc Pump Station Grading and Erosion Control Plan

Prior to the issuance of the Coastal Development Permit and Land Use Permit, the permittee shall submit final Grading and Erosion Control Plans for the Sisquoc pump station approved by the Department of Public Works. These plans shall be consistent with or based on information contained in the geologic investigation required in Condition E-1. Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall either submit Grading and Erosion Control Plans for the Las Flores and Gaviota pump stations for approval by the Department of Public Works or show evidence that the plans are a part of the overall Grading and Erosion Control Plans for the consolidated processing facilities at those sites.

E-6. Cooperation with San Luis Obispo County for Cuyama River Crossing

The permittee shall cooperate as necessary with San Luis Obispo County in the permitting, design and construction of the Cuyama River crossing. Any pipeline crossing the Cuyama River shall be laid to a depth consistent with studies performed under Condition E-1 and subject to approval of the County Flood Control District.

E-7. South Coast Pump Stations Location

Prior to approval of the Final Development Plan, the permittee shall commit to the location of their south coast pump stations to the satisfaction of the Planning Commission. If these stations are not within the boundaries of the approved Exxon, Gaviota Terminal Company, or Chevron facilities, the permittee shall submit grading and erosion control plans pursuant to Condition E-5.

E-8. Stockpiling of Earth Materials During Construction

Stockpiling of large volumes of earth materials in temporary (for construction only) work space areas in excess of those volumes needed locally for construction shall not occur except as approved by the Planning and Development Department. The permittee shall not stockpile materials on landslide prone slopes during the rainy season.

E-9. Storage of Pipe During Construction

Storage of pipe in temporary (for construction only) extra work spaces shall not occur except as approved by the Planning and Development Department.

E-10

The permittee shall implement a project specific Restoration, Erosion Control and Revegetation Plan for the Gaviota Creek Pipeline Lowering and Replacement Project in order to minimize erosion. In addition, grading shall be minimized within the creek and along the creek bank and grading on slopes greater than 5:1 shall be designed to minimize surface water runoff. **Plan Requirements:** This requirement shall be noted on construction drawings prior to approval of CDP. The applicant shall notify the Energy Division at least 48 hours prior to commencement of grading. **MONITORING:** EQAP monitor shall inspect the site during grading work to verify that erosion control measures are properly implemented. *(Mitigation Measure G-1) (adopted by the Planning Commission on September 6, 2000)*

E-11

The permittee shall limit excavation and grading to the driest season of the year to avoid the breeding season for California red-legged frog, tidewater goby, and the Southern steelhead migration season (July 1 to November 1) for the Gaviota Creek Pipeline Lowering and Replacement project, unless granted permission by the Energy Division. All exposed graded

surfaces shall be reseeded with ground cover vegetation to minimize erosion. **Plan Requirements:** This requirement shall be noted on construction drawings. **MONITORING:** EQAP monitor shall inspect the site during grading to monitor dust generation and after grading to verify reseeded. (*Mitigation Measure G-2) (adopted by the Planning Commission on September 6, 2000)*)

E-12

At Gaviota Creek, the permittee shall perform an as-built profile survey of the pipeline and creek bed and develop a profile drawing showing the pipeline and creek bottom. For the first two years after installation of the new pipeline crossing, the creek bed shall be surveyed each year at the end of the rainy season. After the first two years, PPC shall re-survey after every significant flood event (i.e., 100-year event or more serious), but not less than every three years. After each creek bed profile survey, the creek bed profile shall be shown on the original as-built profile survey. **Plan Requirements:** PPC shall submit surveys to Planning and Development's geologist for review and approval. **MONITORING:** Planning and Development shall review creek elevation records and site inspect as necessary. (*Mitigation Measure G-3) (adopted by the Planning Commission on September 6, 2000)*)

E-13

At Gaviota Creek, the permittee shall visually inspect the status of restoration efforts and the erosion at the pipeline crossing at least quarterly, and as requested by State Parks or Planning and Development, after installation of the new pipeline crossing. (These surveys shall be conducted at ground level, not from the air.) **Plan Requirements:** Written inspection reports shall be submitted to the Energy Division within 30 days of the inspections and surveys. PPC shall take any necessary corrective actions required to stabilize disturbed areas, as approved by the Energy Division. **MONITORING:** EQAP monitor to periodically inspect the restoration effort. (*Mitigation Measure G-4) (adopted by the Planning Commission on September 6, 2000)*)

F. SURFACE AND GROUNDWATER

F-1. Downstream Flows During Construction

During construction of the pipeline across all perennial stream crossings, stream flows, if any, shall be diverted around construction areas to maintain downstream flows. Baseline water flows shall be maintained in coastal streams in order to avoid adverse impacts to lagoon or other sensitive habitats.

F-2. Sediment Retention Devices During Construction

Sediment retention devices that allow continued streamflow shall be installed directly downstream of stream crossings during construction.

F-3. Stream and River Crossings During Construction

For pipeline crossings at the following stream or river crossings: Tajiguas; Refugio; Gaviota; Nojoqui; Zaca; San Antonio Creeks, all additional perennial streams which the pipeline crosses: Santa Ynez; Sisquoc; and Cuyama Rivers, the permittee shall construct the buried pipelines during the months of low historical streamflow, in order to minimize erosion loss downstream and protect surface water quality. In the event of low winter rainfall, earlier construction may be approved by the Planning and Development Department and County Flood Control Agency.

F-4. Riparian Habitat Corridors During Construction

No staging areas shall be permitted within riparian habitat corridors.

F-5. Construction Contractors at Stream Crossings During Construction

During pipeline construction at stream crossings, construction contractors will minimize time of disturbance, narrow the construction ROW to the extent feasible, stabilize the disturbed areas immediately following construction of the crossing, and divert runoff waters around construction areas to maintain downstream flows.

F-6. Deleted.

F-7. Isolation Valves at Perennial Stream and River Crossings

The permittee shall install isolation valves on either side of all perennial stream and river crossings, including the Cuyama River, and/or as required by the Coastal Zoning Ordinance, unless the applicant can demonstrate that alternative methods will further reduce the potential leak impacts at the crossing site. These locations shall be identified prior to the Final Development Plan.

F-8. Freshwater Source During Construction

Prior to approval of the Final Development Plan, the permittee shall identify the freshwater source considered for supplying pipeline and facility construction activities including hydrostatic test water, and shall estimate the total quantity required. Any water obtained from coastal or inland sources shall not significantly disrupt streamflows, groundwater resources, or habitat resources. Water conserving devices shall be used where feasible. Any water used during construction, (exclusive of hydrostatic test water), shall contain no more than 5,000 parts per million total dissolved solids. Disposal of hydrostatic test water within the County shall be according to a plan approved by the Regional Water Quality Control Board, or by the Flood Control Agency. This information shall be provided to and approved by the Planning and Development Department as part of the Final Development Plan.

F-9. Hydrogeologic Investigations for Sensitive Areas

Prior to approval of the Final Development Plan, the permittee will perform detailed hydrogeologic investigations for the sensitive areas identified in the EIR/EIS, (Table 3-14). These investigations will be conducted by a State of California registered geologist or engineer and will include but not be limited to:

- a) definition of groundwater depth, recharge sources, properties of overlying soils, hydraulic gradient, background water quality, and existing water uses.
- b) inventory of existing wells from State or County Flood Control Agency records in an area extending down-gradient from the pipeline in the aquifer equal to the distance groundwater would move in one year at a velocity calculated from the maximum hydraulic conductivity of the specific aquifer, hydraulic gradient, and porosity. The down-gradient sensitive area will be determined by a registered geologist.

This information will be reviewed by the Planning and Development Department and used by the permittee to formulate the Groundwater Contamination portion of an Oil Spill Contingency Plan, Condition P-5. This portion of the Plan will include;

- a) plans for monitoring and early detection of groundwater contamination, including aerial and ground surveys, pipeline pressure monitoring, and water sampling of strategic wells;
- b) plans for notification of affected groundwater users, and the Emergency Services Coordinator;
- c) clean-up response, reparations, restorations, and methods to determine and correct the contamination source; and
- d) identification of emergency alternate water supplies.

F-10. Dam and Ditch Plugs in Pipeline Trenches by Aquifers

At the base of slopes where the ROW approaches sensitive aquifers as identified in the EIR/S that are at risk from oil spills and leaks, a dam or ditch plug will be used in the pipeline trench. The sensitive areas are those where the ROW follows 1) topographic slopes toward basins with shallow depth to water, 2) high vertical permeabilities, and 3) a high degree of groundwater use as indicated by the hydrogeologic investigations required as per condition F-9. These areas shall be identified in the Final Development Plan.

F-11. SSRRC Approval for All Creek and River Crossing Plans

Prior to the approval of the Final Development Plan, the System Safety and Reliability Review Committee shall review and approve submitted plans of all creek and river crossings in Santa Barbara County. Permitted development shall not cause or contribute to flood hazards or lead to the expenditure of public funds for flood control works.

G. AQUATIC BIOLOGY

G-1. Oil Spill Response Plan

Fueling and lubrication of construction equipment will not occur within 0.25 miles of any flowing streams. No more than 2 barrels of fuel shall be kept at construction sites, exclusive of pipeline construction equipment fuel tanks, within 0.25 miles of all perennial creeks. As part of the oil spill response plan, the permittee will submit plans for clean-up and restoration of affected areas in the event of a construction fuel spill.

G-2

For the Gaviota Creek Pipeline Lowering and Relocation project, all construction and grading plans shall show the precise location of the environmentally sensitive habitats within the project vicinity. **Timing:** The ESH areas should be designated on all plans prior to CDP approval. **MONITORING:** Planning and Development staff to check plans. (*adopted by the Planning Commission on September 6, 2000*)

G-3

For the Gaviota Creek Pipeline Lowering and Relocation project, during construction, washing of concrete, paint or equipment shall occur only in areas where polluted water and materials can be contained for subsequent removal from the site. Washing shall not be allowed near sensitive biological resources. An area designated for washing functions shall be identified. **Plan Requirements:** The applicant shall designate a wash off area, acceptable to Planning and Development, on the construction drawings. **Timing:** The wash off area shall be designated on all plans prior to CDP. The washoff area shall be in place throughout construction. **MONITORING:** Planning and Development staff shall check plans prior to approval of CDP

and the EQAP monitor shall site inspect throughout the construction period to ensure proper use. *(Mitigation Measure B-2) (adopted by the Planning Commission on September 6, 2000)*

H. TERRESTRIAL BIOLOGY

H-1. Restoration, Erosion Control and Revegetation Plan

H-1(j) modified 12/16/92

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall submit a Restoration, Erosion Control, and Revegetation plan for the final proposed pipeline route and the pump station sites. The plan shall be submitted to the Planning and Development Department for approval. Once approved, the plan shall be implemented by the permittee. Success of the restoration and revegetation plans shall be monitored by a qualified independent biologist who is in addition to the managing environmental coordinator (Condition C-1). The plan shall contain, but not be limited to, the following:

- (a) Procedures for stockpiling and replacing topsoil, replacing and stabilizing backfill, such as at stream crossings, and steep or highly erodable slopes. Additionally, provisions shall be made for recontouring to approximate the original topography. Excess fill shall be disposed of off-site unless suitable arrangements are made with the property owner. Excess fill shall not be deposited in any drainage, or on any unstable slope.
- (b) Specific plans for control of erosion, gully formation, and sedimentation, including, but not limited to, sediment traps, check dams, diversion dikes, culverts and slope drains. Plan shall identify areas with high erosion potential and the specific control measures for these sites.
- (c) Procedures for containing sediment and allowing continued downstream flow at stream crossings, including scheduling construction activities during low-flow periods.
- (d) Procedures for re-establishment of vegetation that replicates or is functionally equivalent to indigenous and naturalized communities along the alignment. These shall include: measures preventing invasion and/or spread of undesired plant species; restoration of wildlife habitat value; and restoration of native plant species and communities. The permittee shall consult with the County Farm Advisor and appropriate Ranch operators when developing procedures for revegetating areas used for cattle grazing and other agricultural uses;
- (e) Procedures for restoration of riparian corridor stream and river banks and stream bed substrates and elevation;
- (f) Procedures for minimizing all tree removal or tree root and branch damage, such as, flagging the corridor, keeping all disturbance to no more than the 100-foot pipeline right-of-way, feathering the right-of-way edges, providing for onsite monitoring of construction by a qualified independent biologist. In addition, special procedures are required for oak woodlands since County policy requires that these trees must not be cut down if feasible. Special procedures for oaks include reducing the right-of-way to the minimum width possible and minimizing the impact to the root zone of these trees;
- (g) Procedures for replacement of native trees and large shrubs removed from the 100-foot temporary easement during construction across riparian and woodland, in particular oak woodland, habitat, with saplings of the same species propagated from materials obtained from the same area, including provision for supplemental irrigation as necessary and feasible to ensure establishment, and provisions for protection of saplings from grazing animals;
- (h) A soil conservation program, to be applied in areas of 20 percent or greater slopes along the pipeline corridor.

- (i) Procedures for incorporating landowner concerns in the plan. Any changes to the plan instigated by such concerns shall be approved by the Planning and Development Department.
- (j) The permittee shall provide an endowment in the amount of \$841,000 to fund implementation of the Alternative Oak Mitigation Program to reestablish oak savannahs and woodlands in Santa Barbara County. (Modified 12/16/92)
- (k) The segment of the plan pertaining to Gaviota State Park shall be prepared in cooperation with the State Department of Parks and Recreation.

H-2. Impact Survey One Year After Construction

One year after construction, a survey will be conducted, at the permittee's expense, to determine the actual impact caused by construction. This survey shall include aerial photography, and as appropriate color stereo and infrared photography and field studies. The report will identify areas with potential for further impact, e.g., high erosion areas, that will require immediate remedial measures. The survey shall also contain an examination of previous mitigation measures and present a list of additional feasible mitigations based on the impacts during construction and potential impacts caused by operation. The permittee and the Planning and Development Department shall agree to additional feasible mitigations. This process shall be repeated as often as necessary by the Planning and Development Department, but not more than annually.

H-3. Sensitive Habitat Areas

In those areas where trees and other habitats such as riparian areas and oak woodlands are to be avoided within the approved corridor and temporary (for construction only) extra work spaces, the permittee shall assure contractor compliance with this condition by marking and/or fencing those resources. These areas include, but are not limited to, the sensitive resources identified by the permittee and depicted on the 1" = 400' color aerial print photographs provided by the permittee and the Environmentally Sensitive Habitat (ESH) areas identified by the Planning and Development Department. The permittee shall avoid disturbance to the tarplant restoration site established by Texaco on State Park property.

H-4. Additional Mitigation

Additional reasonable and feasible conditions of mitigation, consistent with condition H-1 and to the extent necessary, shall be identified and observed as developed during the archaeological mitigation program (conditions L-1, L-2, L-3, L-6), and as identified by the managing environmental coordinator in consultation with the permittee's Onsite Construction Representative (condition C-1).

H-5. Deleted.

H-6. Herbicides During Construction

The permittee shall not use herbicides in wetland and riparian areas, and along the rest of the pipeline corridor during construction.

H-7. Fish and Game Permit (1603)

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall receive a permit (1603) as required from the California Department of Fish and Game. This permit should include provisions to ensure that the proposed construction schedule will not

interfere with reproductive activities of regionally rare or rare, threatened or endangered bird, amphibian, and fish species or other species of special concern, in those environmentally sensitive habitats identified in the EIR/EIS and shall submit this confirmation to the Planning and Development Department. If the Department of Fish and Game determines that the construction schedule will have an impact then the permittee will adhere to directives of the Department of Fish and Game with respect to their permit requirements.

H-8. Deleted.

H-9. Hoffman's Nightshade Plan

The permittee shall minimize impacts to the population of Hoffmann's nightshade (*Solanum xanti* var. *hoffmannii*) found in the Gaviota Pass area. The permittee shall submit plans to enhance the recovery of this population to the Planning and Development Department for approval prior to issuance of the Coastal Development Permit and Land Use Permit.

These plans shall include provisions for removing any individual plants that would be affected, place them in large tubs, and replant them as near as possible to the original location (exclusive of the operation Right-of-Way) after construction; and gathering seeds prior to issuance of the Coastal Development Permit and Land Use Permit from the population of Hoffmann's nightshade located in the Gaviota Pass area and planting them in and near the ROW after construction. This shall be done under the supervision of a biologist approved by the Planning and Development Department and in cooperation with the California Parks Department; this biologist may approve modifications to these techniques based on season of the year and state of dormancy.

H-10. Catalina Mariposa Lily Plan

The permittee shall minimize impacts to the population of Catalina Mariposa lily (*Calochortus catalinae*) found in the Gaviota Pass area. The permittee shall submit plans to enhance the recovery of this population to the Planning and Development Department for approval prior to issuance of the Coastal Development Permit and Land Use Permit. These plans shall include provisions for gathering of seeds from the population found in or near the ROW prior to construction, planting the seeds in or near the ROW after construction (exclusive of the operation ROW), conserving the upper 18-24 inches of heavy clay soil which contains the plant's bulb-like corms found in the vicinity of the plants prior to construction, and then, after construction, replacing this soil which holds the plant's bulb-like corms. This shall be done under the supervision of a biologist approved by the Planning and Development Department and in cooperation with the California Parks Department; this biologist may approve modifications to these techniques based on season of the year and state of dormancy.

H-11. Refugio Manzanita Plan

The permittee shall minimize impacts to the population of Refugio Manzanita (*Arctostaphylos refugioensis*) found in Gaviota Pass area and affected by the proposed construction activities. The permittee shall submit plans to enhance the recovery of this population to the Planning and Development Department for approval prior to issuance of the Coastal Development Permit and Land Use Permit. These plans shall include provisions for gathering seeds and taking cuttings from the population of Refugio Manzanita found in and adjacent to the ROW prior to construction, and provisions for the planting of the seeds and plants propagated from cuttings in the final construction alignment (exclusive of the operation ROW) after construction. This shall be done under the supervision of a biologist approved by the Planning and Development Department and in cooperation with the California Parks Department; this biologist may approve modifications to these techniques based on season of the year and state of dormancy.

H-12. Restoration, Revegetation and Implementation Plan

The permittee shall prepare a Restoration, Revegetation and Implementation section as part of the Oil Spill Contingency Plan (P-5). The section shall be reviewed and accepted prior to start-up by the Planning and Development Department and a biologist approved by the Planning and Development Department. The section shall be submitted sufficiently prior to the permittee's projected start-up date so as to allow reasonable time for staff review. Reasonable costs of review shall be borne by the applicant. The section shall contain site-specific restoration information for all habitat types including stream crossings, wetlands/lagoons, oak woodlands, grasslands, riparian zones, and other environmentally sensitive habitats. The section shall be divided into three major areas: a) Coastal, b) Streams and Rivers and c) Terrestrial habitats. Each of these sub-sections shall discuss the various habitats in the categories listed above. Methods to achieve restoration of all affected areas to their prespill conditions shall be discussed.

H-13. Pump Station Landscaping

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall submit to the County Board of Architectural Review, and the Planning and Development site-specific plans for landscaping of any pump station not within other required project vegetation screens. This plan shall, at the permittee's expense, be reviewed by a qualified landscape architect and a biologist approved by the Planning and Development Department to insure the proper plant materials and procedures identified in these conditions are implemented. These plans shall be developed in consultation with the property owner. The plan shall include:

- (a) The specifications of any potential seed mixtures to be utilized, including the plant species in the mixture and the pounds of seed per acre to be applied; type of mulch (fiber, chemical tackifier or straw); the type and amount of fertilizer; and any provisions for irrigation;
- (b) Confirmation that all native or non-native plant materials proposed in the revegetation plan are compatible with indigenous vegetation and that none of the plants used is known to be weedy or invasive. The plan shall provide for plantings that will screen facilities from view. This vegetation screening shall also be designed to reduce nighttime lighting and noise. Near chaparral or other high fire hazard areas, the seeds or seedlings will consist of native or non-native species, shown to contain fire retardant properties (such as toyon) and shown to be fast growing;
- (c) The specifications for native seeds and seedlings that will have wildlife habitat and food value. All perennial plants, and all woody plants are to be propagated from material obtained from the same area. Native plant material is to be obtained from a revegetation contractor. All native materials will be ordered from the contractor in advance of construction activities.
- (d) Confirmation that non-native material is to be confined to disturbed areas immediately adjacent to structures needing visual screening. Such screening is to include fast growing plants adequate to screen the facility from direct view;
- (e) A detailed irrigation plan if feasible for all revegetated areas requiring irrigation for establishment of plant materials;
- (f) The permittee's commitment for continual monitoring of the revegetation so that weeds will be minimized.

H-14. Landscaping and Revegetation Bonds

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall post a bond or other security agreement approved by the County Counsel to ensure that all landscaping and revegetation programs are completed to the County's specifications.

H-15. Release of Landscaping and Revegetation Bonds

Prior to issuing a release from the bond or other security agreement, a biologist and landscape architect hired by the County, at the permittee's expense, shall conduct a field review of all revegetated and landscaped areas, to insure consistency with the intent and specifications of the revegetation and landscape plan. Necessary repairs or changes in landscaping or revegetation shall be made at the permittee's expense.

H-16. California Endangered Species Inventory

Prior to approval of the Final Development Plan, a qualified biologist approved by the Planning and Development Department will conduct site-specific field inventories for California state-listed species, as mandated by the intent and general provisions of Assembly Bill No. 3309, the California Endangered Species Act. The biologist will perform the surveys of the 100-foot ROW in areas suspected of having any of the species of special concern as identified in Appendix B Table B-6, DEIR/S, except for the peregrine falcon, least Bell's vireo, and Parish's sidalcea. Surveys for these species will be conducted prior to construction. The California Department of Fish and Game will be consulted concerning appropriate methods for survey as well as appropriate mitigation measures if these species are found on the ROW. Additional mitigation shall be developed and executed by the permittee-based on these surveys if determined necessary by the Planning and Development Department.

H-17. Raptor Nesting Habitat Survey

Prior to issuance of the Coastal Development Permit and Land Use Permit, a wildlife biologist approved by the Planning and Development Department will survey all potential raptor nesting habitats within 0.5 miles of the pipeline, to identify active and inactive nests and potential perch sites cleared by ridge-top construction. No construction will occur within 0.5 miles of active eyries during nesting season as determined by the biologist. Construction may be permitted by the Planning and Development Department in consultation with the biologist near inactive nests provided nest sites are not disturbed. Where deemed necessary by the California Department of Fish and Wildlife biologists, raptor perch or roost trees will be avoided and/or artificial roosts will be constructed on ridgelines to mitigate losses of such trees resulting from clearing the ROW on ridge tops.

H-18. Construction ROW Through Riparian Habitats

The permittee shall limit the width of the construction ROW through all riparian habitats to the extent feasible. The permittee shall submit a plan indicating the location and size of the construction ROW through all riparian habitats. These plans shall be approved by the Planning and Development Department prior to the Final Development Plan.

H-19. Construction ROW Designed to Avoid Trees

The construction ROW shall be routed to avoid trees to the maximum extent feasible. When this is not possible, dying or diseased trees shall be removed preferentially over healthy trees.

H-20. Suey Canyon Oak Woodland

The permittee shall minimize impacts to the oak woodland in the Suey Canyon area. This shall be done by using existing disturbed areas and by narrowing the construction corridor to the extent feasible by working on top of the spoils pile or selectively removing spoils, selectively removing

trees (e.g. dying, or diseased trees) and revegetating to enhance re-establishment of oak saplings and/or similar mitigation.

H-21. Los Alisos Creek Crossing

The permittee shall align the pipeline route in the vicinity of the Los Alisos Creek crossing in order to minimize the amount of riparian habitat disrupted.

H-22. Parish's Checkermallow Field Survey

Prior to the issuance of the Land Use Permit, a qualified biologist approved by the Planning and Development Department shall conduct a site-specific field survey for the Parish's checkermallow along the approved right-of-way in potential habitat areas in the North County. Should any individuals be found along the right-of-way, the permittee shall employ mitigation measures approved by the Planning and Development Department to enhance the reestablishment of the species along the ROW (e.g., transplanting individuals).

H-23. Gaviota Tarplant Plan

The permittee shall minimize impacts to the population of Gaviota tarplant (*Hemizonia increscens* ssp. *villosa*) found in the Gaviota area. The permittee shall submit a plan to enhance the recovery of this population to the Planning and Development Department for approval prior to issuance of the Coastal Development Permit. This plan shall include provisions for ensuring the preservation of the current seed crop and seed stored in topsoil (seed bank) onsite. This shall be done under the supervision of a biologist approved by the Planning and Development Department.

H-24. Restoration of Construction Work Areas

Impacts to existing vegetation within the temporary (for construction only) extra work space areas shall be minimized to the extent feasible. All disturbed areas, including temporary extra work spaces, shall be restored and revegetated pursuant to the permittee's approved Restoration, Erosion Control, and Revegetation Plan (Condition H-1). Any grading of the temporary extra work space areas will require a separate Coastal Development Permit.

Use of the temporary (for construction only) extra work space areas on slopes greater than 30 percent shall be limited to spoil placement. Right-of-way restoration and revegetation on slopes greater than 30 percent shall be initiated immediately upon completion of pipeline installation.

H-25

The permittee shall implement a project specific revegetation and restoration plan for the Gaviota Creek Pipeline Lowering and Replacement project. The plan shall include, but not be limited to the following measures:

- Landscaping in the riparian corridor shall consist of native riparian species including willow (*Salix lasiolepis*, *S. laevigata*), mule fat (*Baccharis salicifolia*), wild blackberry (*Rubus ursinus*), California wild rose (*Rosa californica*) at a minimum density of 3 feet on-center. Planting stock shall be obtained from the Gaviota Creek drainage.
- The new plantings shall be irrigated as necessary to promote establishment.
- Plantings shall be fenced or otherwise protected from browsers as deemed necessary by the EQAP monitor.
- Non-native species including tree tobacco (*Nicotiana glauca*), castor bean (*Ricinus communis*), mustard (*Brassica* sp.), star thistle (*Centaurea* sp.) shall be removed from the creek within the project area.

- Upland areas disturbed by construction shall be recontoured to pre-existing conditions (to the extent feasible) and revegetated consistent with the Restoration, Erosion Control and Revegetation Plan approved for the original pipeline project.

The plan shall include pre-established performance criteria to be used in final evaluation for bond release. **Plan Requirements:** Prior to CDP approval, the applicant shall submit the revegetation and restoration plan, prepared by a Planning and Development approved biologist, to Planning and Development for review and approval. The \$350,000 performance bond already in place for the original project shall cover performance security for the project. **Timing:** The plan must be approved prior to CDP approval. Revegetation and removal of non-natives shall be done so as to coincide with the onset of seasonal rainfall. **MONITORING:** Planning and Development staff shall site inspect for restoration. Maintenance shall be confirmed through site inspections. *(Mitigation Measure B- 1 and V-1) (adopted by the Planning Commission on September 6, 2000)*

H-26

The permittee shall comply with the mitigative provisions of the following documents:

- NMFS Biological Opinion, December 31, 1998
- USFWS Biological Opinion, January 15, 1999
- ACOE Nationwide Permit, February 22, 1999
- CDFW Streambed Alteration Agreement, March 26, 1999
- NMFS Biological Opinion, May 31, 2000

These permits and mitigation measures are considered part of the project description. **Plan Requirements:** These conditions shall be printed on all construction plans. **MONITORING:** P&D staff to ensure compliance with other agency permits. EQAP monitor to spot check in the field. *(Mitigation Measure B-3) (adopted by the Planning Commission on September 6, 2000)*

I. SOCIOECONOMICS

I-1. Oil and Gas Industry-Wide Monitoring and Mitigation Program

The cumulative impacts of oil and gas industry projects are expected to be significant to Santa Barbara County. Therefore, the permittee shall participate in an oil and gas industry wide monitoring and mitigation program to address socioeconomic impacts identified as significant environmental impacts attributable to their project. For projects such as pipelines, only the construction phase is expected to cause significant impacts, and the permittee's participation in the program shall be limited to that phase. The criteria for allocating the costs of the monitoring and mitigation program and its mitigation requirements will be uniformly applied to all industry participants.

The intent of this program is to obtain realistic information regarding impacts identified in the EIR/EIS, and to allow impacted jurisdictions to require mitigation for project-related impacts. Mitigation of impacts through other planning programs, and/or through existing administrative infrastructure shall be taken into account. The scope of this program is detailed below. As subsequent details in the structure of the Program are developed by the County, such details shall supersede portions of this condition as appropriate.

The purpose of the Monitoring and Mitigation Program is to accurately assess the impacts of the permittee's proposed development, including those in the following socioeconomic areas:

- a. Temporary housing needs, particularly demand for state and other park campsites, recreational vehicle parks, motel-hotel rooms and rental housing;
- b. Longer term (more than one year) housing needs, particularly low and moderate income housing needs, and associated water demands, south coast Santa Barbara County;
- c. Public finance;
- d. Transportation of workers and materials to and from the site.

At any point when the Board of Supervisors determines that the monitoring program demonstrates that previous mitigation funds paid by the permittee exceed the valuation of the impacts at issue, the permittee shall be granted a credit against any other current or future mitigation fees imposed on the permittee for this permit by the County. The permittee shall be entitled to accrued interest at the prevailing legal rate which shall continue to accrue until the credit is used.

The Monitoring and Mitigation Program will be administered and staffed by the County of Santa Barbara, Department of Regional Programs. A Technical Advisory Committee will provide assistance and input in the documentation of significant adverse impacts and proposals to mitigate these significant impacts.

The Technical Advisory Committee will be composed of: two representatives from Santa Barbara's cities appointed by the Mayor's Select Committee and representing north and south county interests; one representative (each) from San Luis Obispo and Santa Barbara counties; and one representative from each affected oil and gas company (to the number of representatives agreed upon). The permittee will be included in the committee until the permittee submits its resignation.

In the event of unresolved technical issues in the area of methodology and calculation of socioeconomic impacts, there shall be a Technical Arbitration Group. The Technical Arbitration Group shall be composed of three individuals without ties to either the County or the permittee, one to be selected by the County Board of Supervisors, one selected by the oil and gas company representatives and the final member selected by the first two members. All Technical Arbitration Group decisions shall be appealable upon written request to the Board of Supervisors. Subsequent details on voting procedures and conflict resolution will be proposed by the Department of Regional Programs and reviewed by the Board of Supervisors in a noticed public hearing.

Prior to approval of the Final Development Plan for this project, the monitoring and mitigation program will be refined. Based on information in the EIR/EIS and on other data as appropriate, practical thresholds which trigger the necessity for mitigation will be developed and adopted by the Department of Regional Programs with input from the Technical Advisory Committee. These thresholds will recognize the normal growth incorporated in County plans, prior and existing industry activity, and the decline of the industry if no further permitting is allowed. Methodologies used to establish thresholds and impacts will be developed in consultation with the Technical Advisory Committee.

The need for mitigation will be determined when threshold levels are exceeded as shown by monitored activities and other data as appropriate. The Department of Regional Programs will recommend a mitigation action to the County Board of Supervisors. The Technical Advisory Committee will assist in making the assessment and recommendations. The monitoring and mitigation program will continue through all stages of construction.

The monitoring, impact and mitigation elements of the program would be equivalent to those described in the Chevron Gaviota Project conditions, but modified as appropriate for the nature of the pipeline project.

I-2. Housing for Temporary Construction Workers

Prior to approval of the Final Development Plan, the permittee shall submit to the County Department of Regional Programs a plan which details how they plan to house temporary construction workers for every month of construction. This plan, to be implemented by the permittee, shall demonstrate how the permittee plans to reduce the housing impacts identified as part of the plan; e.g. exactly how much housing is needed, where it is needed and for how long; but not limited to, the following examples:

- (a) Use of existing under-utilized hotel/motel space during the months of September through May to provide for temporary living quarters for direct construction workers by month; identification of incentives to all the direct construction workers such as rent subsidies and/or shuttle service to the site.
- (b) Use of any available housing outside the South Coast area for all workers associated with the project during the summer months when visitor-serving facilities in the South Coast area are at capacity. Incentives for workers shall be identified such as rent subsidies and shuttle service for all workers commuting to the job site.
- (c) Methods to limit worker use of public campgrounds as living quarters. If it cannot be shown that the impact will be reduced from the estimate, the permittee shall make a donation to the California State Parks or to Santa Barbara County Parks for the development of new campsites to offset their worker use of campsites. The donation shall be made prior to receipt of the building permit and determined by multiplying the estimated cost per developed campsite times 15. If it is shown by the Regional Programs Department and the Technical Advisory Committee that there is significant impact, the above-mentioned groups shall propose mitigation.

At any point when the Board of Supervisors determines that the monitoring program demonstrates that previous mitigation funds paid by the permittee exceed the valuation of the impacts at issue, the permittee shall be granted a credit against any other current or future mitigation fees imposed on the permittee for this permit by the County. The permittee shall be entitled to accrued interest at the prevailing legal rate which shall continue to accrue until the credit is used.

I-3. Construction During Peak Tourist Seasons

The pipeline construction period will be scheduled so as not to coincide with peak tourist seasons within each construction area in Santa Barbara County, provided that this scheduling does not interfere with any other conditions in this permit with respect to timing, in particular requirements regarding construction during stream and river low-flow. If such a conflict is found, than additional measures must be taken to provide the temporary housing needs for construction workers.

I-4. Deleted.

I-5. Utilization of Local Labor

The permittee shall include provisions in its contractor agreements specifically to encourage and promote employment from local labor so as to reduce the impacts associated with the in-migration of workers.

I-6. Project-Related Utilities and Services

Except as otherwise provided herein, if the Socioeconomic Monitoring Program shows that project-related revenues will not compensate for needed capital or operating expenditures necessary to provide project-related utilities and services additional mitigation will be required.

I-7. Distributing Oil Related Revenues

In the event that state and/or federal revenue sharing legislation directed at distributing oil related revenues to state or local governments is approved or Santa Barbara County levies a tax (special or otherwise) on oil and/or gas processed or transported under this permit, then any condition herein requiring payments or other items of value by the permittee to Santa Barbara County or any political subdivision thereof shall automatically be suspended pending a review by the County to determine the extent, if any, which the tax, revenue sharing, or any of the fees imposed are duplicative or unwarranted either as to the level of government services provided or the level of burdens imposed on the public.

J. LAND USE AND RECREATION

J-1. Property Owner Notification of Construction

Prior to construction, the entire pipeline ROW corridor shall be prominently staked. All affected property owners along the pipeline route shall be notified in writing at least 30 days prior to the commencement of any pipeline construction on their property, and at least 15 days in advance of any deviation from the staked corridor which crosses their property.

J-2. Mainline Pipeline Construction Time Lines

All mainline pipeline construction activities except river, perennial coastal stream, and ESH area crossings as specified in condition H-7, once started, shall proceed in a diligent and expeditious manner and shall be completed within nine months after the starting date, subject to necessary and/or unanticipated time extensions approved by County, in consultation with affected property owners.

J-3. Pipeline Construction Work Hours

Pipeline construction activities shall be limited to the period between 7 a.m. and 7 p.m., Monday through Saturday. Except for emergency services, construction activities shall not take place on Sundays, the dates generally recognized for Memorial Day, July 4, Labor Day, or any other similarly recognized holiday, unless previous arrangements have been made with the affected property owners.

J-4. Privacy and Security of Property Owners During Construction

Prior to approval of the Final Development Plan, the permittee shall consult with affected property owners to develop reasonable and mutually satisfactory controls for maintaining the privacy and security of affected properties while construction is in progress.

J-5. Property Owner Notification of Construction Within 48 Hours

Unless easements have been obtained from affected property owners or unless otherwise agreed to by affected property owners, the permittee shall provide affected property owners written notice at least 48 hours prior to the start of construction on their property, which shall include:

- a) Description of vehicles using roads on the property, including type, size, identification, proposed times of entry and departure, destinations, and the intended route to the destination. (Fire, medical, or similar emergency vehicles can enter as necessary.) Significant changes in the schedule of construction-related vehicular traffic shall be allowed within the 48-hour advance noticing subject to direct communication (e.g. telephone, personal communication) by the permittee with the affected property owners;
- b) Description of estimated construction schedule across the property. Any blasting necessary during construction shall be noticed to all property owners within a one mile radius of the blasting area;
- c) Description of times of limited access through and across the property, such as road closures on the property, indicating specific location, time and duration of the limited access or closure. Road closure is considered to include partial road blockage or disturbance. Suitable vehicular by-pass shall be provided during all closures;
- d) Description of any probable hazard or other unsafe condition during the pipeline construction period, indicating the nature of the hazard, the area in which the condition will occur, and the time and duration of the activity. The permittee and its contractors shall take prompt and adequate action to correct any hazard or damage that does occur during construction, and shall provide appropriate noticing as per other parts of this condition;
- e) Description of helicopter and/or vehicle reconnaissance schedules for pipeline maintenance, indicating times, stops, and duration. The permittee shall establish and enforce appropriate rules for its personnel and its contractors to assure that they will not be in the area except when necessary to carry out construction, inspection, repair and maintenance activities, or emergency services;
- f) Description of schedule for cutting any fences or similar barriers during pipeline construction.

J-6. Deleted.

J-7. Property Owner's Fences/Barriers During Construction

Unless easements have been obtained from affected property owners or unless otherwise agreed to by affected property owners if and when fences or other similar barriers must be cut during pipeline construction, the permittee shall provide advance notice to the affected property owner, and shall replace the function of the cut fence before the cut is made to the satisfaction of the property owner, and the permittee and its contractors shall restore all fences that have been cut, moved, or damaged to at least their condition prior to pipeline construction, except that gates or similar structures may be added as approved to provide access.

J-8. Utility Lines and Services During Construction

Interruption of telephone, electrical power, water or other utility services shall be minimized to the extent feasible during the pipeline construction period. The permittee, or its contractors, shall contact each property owner or the appropriate utility regarding the location of utility lines, and all such utility line locations shall be staked by the permittee or its contractors prior to the start of construction on the affected property.

J-9. Compliance with All Applicable County Statutes, Etc.

During the pipeline construction period in the County, the permittee and its contractors shall comply fully with all applicable statutes, ordinances, rules and regulations, including traffic regulations, of the County.

J-10. Proof of ROW Prior to Construction

Prior to entering upon any parcel of property for purposes of commencing construction, the permittee shall demonstrate to the Planning and Development Department that it has obtained a right-of-way for such parcel or otherwise has obtained the right to enter the property for purposes of constructing the pipeline.

J-11. Restricted Use of ROW After Construction

Following installation of the pipeline, use of the right-of-way is restricted to operational maintenance of the pipeline except where expressly permitted by the easement or landowner and consistent with other regulations and conditions.

J-12

The permittee shall implement the sign plan approved by State Parks, and dated August 11, 2000, prior to beginning work on the Gaviota Creek Pipeline Lowering and Relocation project. **MONITORING:** EQAP monitor to check in field. *(adopted by the Planning Commission on September 6, 2000)*

K. TRANSPORTATION

K-1. Worker Transportation Program

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall submit to the Planning and Development Department and the Department of Public Works, Road Division a worker transportation program designed to minimize traffic-related impacts. The plan shall identify on- and off-site parking areas, access routes, shuttle program to reduce number of working vehicles on and along pipeline construction corridor, measures to avoid traffic conflicts with residents using all roads affected, number of vehicles accessing the facilities sites and incentives for ride-pooling/van-pooling to the sites. Construction worker traffic and parking shall not interfere with normal and reasonable uses of private property or recreational areas. This Construction Traffic Mitigation Plan shall be submitted by the permittee and approved by County prior to initiation of construction. The program must consider both the permittee employees and contractors.

K-2. Permanent Parking Areas at the Pump Stations

Any new permanent parking areas at the pump stations shall be screened from public view pursuant to the landscape plan approved by the Board of Architectural Review.

K-3. Engineering Plans for All Pipeline Crossings of County Roads

The final engineering plans and procedures for all pipeline crossings of County roads must be approved prior to issuance of the Land Use Permit and Coastal Development Permit by the Department of Public Works. Notification of such approval must be submitted to the Planning and Development Department prior to construction at the site.

K-4. Pipeline Construction Activity Limited to ROW

All pipeline construction activity, except ingress and egress along routes approved by the Planning and Development Department and in consultation with affected property owners, shall be limited to the final staked right-of-way on the final approved pipeline route. Use of any private roads or other areas shall be allowed only after advance approval from the affected property owners.

K-5. Mitigation Plan for Impacted County Roads

Prior to the Final Development Plan, the permittee must submit to the Public Works Department for approval a plan to mitigate impacts to all County roads which will be used during construction. This plan will include the type of vehicles and machinery which will traverse the roads, the frequency of road use for each piece of equipment and vehicle, and the gross vehicle weights loaded and unloaded. This includes the above information for trucks carrying pipe, fuel, construction supplies, or construction crews through the County to the construction spreads. This plan shall include an agreement with the County to repair any obvious damage to the satisfaction of the Public Works Director and any reasonable fees associated with eventual reconstruction caused by project-related damages of the public roads. Prior to drafting this agreement, County shall coordinate with the permittee in compiling a list of County roads which will be used for construction of the pipeline. The permittee shall demonstrate property owner (or Court) approval of private road maintenance plans or terms on privately owned parcels to the Planning and Development and Public Works Department prior to entering upon said parcels for purposes of commencing construction.

K-6

If repairs are necessary to roads used by construction equipment for the Gaviota Creek Pipeline Lowering and Relocation project, the permittee shall either complete the repairs or provide funding as determined by State Parks, County Public Works or Caltrans. **MONITORING:** EQAP monitor to visually inspect roads before and after the construction period. *(adopted by the Planning Commission on September 6, 2000)*

K-7

The permittee shall provide workers at the access road gate and the work site to manage traffic by radio for the duration of the Gaviota Creek Pipeline Lowering and Relocation project. The permittee shall coordinate with PAPCO/PANGL and any subcontractor normally requiring access to the site. **MONITORING:** EQAP monitor to check in field. *(adopted by the Planning Commission on September 6, 2000)*

L. CULTURAL RESOURCES

L-1. Cultural Resources Surveys Plan

Prior to approval of the Final Development Plan, the permittee shall submit a plan detailing the methods for the Phase I (walkover) and Phase II (site importance assessment) cultural resources surveys. In addition, the permittee shall submit all Phase I cultural work completed to date. These reports shall be approved by the Planning and Development Department as part of the Final Development Plan. Prior to issuance of the Land Use Permit and Coastal Development Permit, the permittee shall complete Phase I and Phase II cultural resource surveys for the entire route. The results of these surveys shall be approved by the Planning and Development Department prior to issuance of said permits. The permittee shall avoid to the maximum extent feasible all known cultural resource sites along the pipeline route unless safety (e.g. seismic or engineering practices) considerations or sensitive biological habitats preclude avoidance.

L-2. Cultural Resources Mitigation Plan

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee, in consultation with the Native American Community, shall commence the cultural resources mitigation plan, in accordance with CEQA Appendix K, County approved Prehistoric Archaeological Guidelines, and section 4.1.1.11, Cultural Resources, of the EIR/EIS. Implementation of the mitigation plan shall proceed on an expeditious and effective schedule in order to minimize or to avoid conflicts with other construction scheduling requirements delineated in other permit conditions. The main components of the mitigation plan shall include:

- a) Selection of a qualified archaeologist by the County Resource Management Department in consultation with Native American representatives. The archaeologist shall be available on an as-needed basis through the completion of pipeline construction. The archaeologist shall be funded by the permittee and shall be responsible to the County Planning and Development Department. Compensation shall cover all excavation, analysis, and report preparation for all areas investigated including those found during construction;
- b) Avoidance of known sites wherever feasible;
- c) Test excavations of known sites that cannot be avoided. These test excavations will assess the importance of each site according to CEQA Appendix K criteria or other requirements and will result in appropriate data recovery as a mitigation measure;
- d) Inclusion of Native American representatives in all field activities;
- e) Additional sub-surface sampling (use of shovel test pits) in defined sensitive areas which will be affected by project construction to confirm the presence/absence of previously unknown (undiscovered) sites. This will include surveying of proposed construction access road areas, once identified by the permittee. Any new sites found shall be treated as per condition L-2(b, c);
- f) Following the determination of site importance, the permittee shall inform the County of any additional plans for site avoidance. For those sites not avoided, the consulting archaeologist shall, in consultation with the Native American community, prepare site-specific mitigation (excavation/data recovery) plans; and
- g) Implementation and completion of the field work aspects of the site-specific mitigation plans prior to construction in the vicinity of the resource.

L-3. Pre-Construction Workshop with Native Americans

Prior to pipeline installation activities, the permittee shall sponsor a workshop for its pipeline contractors and Native American consultants to review and explain the mutual concerns and activities of the parties during pipeline installation work.

L-4. Archaeologist and Native American On-Site During Construction

During pipeline installation, a Planning and Development Department approved archaeologist and Native American consultant(s) will work with the contractor during trenching to insure continued avoidance. Adequate monitors shall be provided pursuant to an agreement between the Native American representatives and the permittee, and the archaeologist retained.

L-5. Ownership of Non-Burial Associated Cultural Resource Artifacts

If non-burial associated cultural resource artifacts are recovered during pipeline installation (the location of such artifacts being unknown prior to installation), ownership of such artifacts shall be the option of either the permittee, the Native American Community, or the archaeological community. In recognizing the origin of the materials, the Native American Community shall

have the first option for ownership. The disposition of the artifacts shall be carried out as per the approved County guidelines.

L-6. Burial Associated Artifacts Found During Construction

If burials or burial associated artifacts are found during installation (that were unknown prior to excavation), and cannot be avoided because of safety considerations, there shall be no further excavation or disturbance of the site. The permittee, in conjunction with the Native American representatives and the Planning and Development Department, shall adhere to the guidelines in CEQA Appendix K and the County Archaeological guidelines prior to continued construction activity in the site area.

L-7. Phase II Cultural Resource Guidelines

If the County cultural resource guidelines for Phase II are modified and approved prior to November 19, 1985, the permittee shall abide by the requirements set forth in the guidelines in place at the time of Final Development Plan approval.

L-8

For the Gaviota Creek Pipeline Lowering and Relocation project, construction envelopes shall be restricted to those areas shown on the site plans dated 8/4/99, in order to avoid impacts to the cultural resources. No construction, earth disturbance or construction equipment shall occur or operate outside of these areas. Subsurface structures including septic systems and utilities and accessways including roads, driveways and utilities shall not be placed outside the envelopes. Envelope boundaries shall be staked in the field. Prior to vegetation removal, the proposed easternmost staging area must be delineated and an archaeologist must verify that the staging area is not located over either of CA-SBA-2067/H's recorded historic adobe foundations or that adequate matting (as determined by the Gaviota State Park's archaeologist) is placed over the foundations. **Plan Requirements:** Construction envelopes shall be shown on all grading and building plans. This condition shall be noted on all final plans to describe the activities disallowed outside the approved envelopes. **Timing:** Construction drawings shall be submitted to Planning and Development prior to CDP. Envelopes shall be staked prior to start of grading or structural development. **MONITORING:** During plan check, the planner shall ensure that all construction is to occur within approved envelopes. Staking shall be checked during pre-construction meeting. Planning and Development's EQAP monitor and planners shall inspect and photo document during all construction phases to ensure development is confined to construction envelopes and that staking remains in place during site grading and construction. *(Mitigation Measure AR-1) (adopted by the Planning Commission on September 6, 2000)*

L-9

At the commencement of project construction for the Gaviota Creek Pipeline Lowering and Replacement Project, the archaeological monitor shall give all workers associated with earth-disturbing procedures an orientation regarding the possibility of exposing unexpected cultural remains and directions as to what steps are to be taken if such a find is encountered. **MONITORING:** EQAP monitor to verify orientation is conducted at meeting. *(Mitigation Measure AR-2) (adopted by the Planning Commission on September 6, 2000)*

L-10

For the Gaviota Creek Pipeline Lowering and Replacement project, all earth disturbances including scarification and placement of fill within the archaeological site area shall be monitored by a Planning and Development-qualified archaeologist and a Native American Consultant pursuant to County Archaeological Guidelines. **Plan Requirements and Timing:**

Prior to commencing work, a contract or Letter of Commitment between the applicant and the archaeologist, consisting of a project description and scope of work, shall be prepared. The scope of work must be submitted to Planning and Development for review and comment. **MONITORING:** Planning and Development planners shall confirm monitoring by archaeologist and Planning and Development's EQAP monitor shall spot check field work. *(Mitigation Measure AR-3) (adopted by the Planning Commission on September 6, 2000)*

L-11

In the event archaeological remains are encountered during grading for the Gaviota Creek Pipeline Lowering and Replacement project, work shall be stopped immediately or redirected until a Planning and Development qualified archaeologist and Native American representative are retained by the applicant to evaluate the significance of the find pursuant to Phase 2 investigations of the County Archaeological Guidelines. If remains are found to be significant, they shall be subject to a Phase 3 mitigation program consistent with County Archaeological Guidelines and funded by the applicant. **Plan Requirements/Timing:** This condition shall be printed on construction drawings and submitted to Planning and Development prior to CDP. **MONITORING:** EQAP monitor shall spot check in the field. *(Mitigation Measure AR-4) (adopted by the Planning Commission on September 6, 2000)*

L-12

If human remains are unearthed during the Gaviota Creek Pipeline Lowering and Replacement project, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to Public Resources Code Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission (NAHC). The NAHC will then contact the most likely descendent of the deceased Native American. **Plan Requirements/Timing:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor shall spot check in the field. *(Mitigation Measure AR-5) (adopted by the Planning Commission on September 6, 2000)*

M. VISUAL RESOURCES

M-1. Board of Architectural Review Approval

All facility design (e.g. pump stations, landscaping and signs), shall be in accordance with a plan approved by the County Board of Architectural Review (BAR) including the criteria outlined in the Coastal Zoning Ordinance Section 35-87.9 and Section 35-184. Prior to the issuance of the Land Use Permit and Coastal Development Permit, the permittee shall submit to the BAR and the Planning and Development Department and obtain their approval of a plan demonstrating that Conditions M-2 through M-5 are met. For visual screening of surface equipment along the pipeline route, the permittee shall consult with each affected property owner during development of the associated landscaping plan.

M-2. Exterior Lighting

No unobstructed or unshielded beam of exterior lighting shall be directed towards any area outside the exterior boundaries of PPC's property or easement. Any lighting along roadways within the project shall utilize low intensity, ground level, shielded fixtures. The plan shall demonstrate that all feasible measures have been taken to reduce obtrusive night lighting and glow from the pump stations.

M-3. Pump Station Facilities Lighting

To the extent feasible no glare or other radiation resulting from pump station facilities, other than lighting fixtures constructed pursuant to this Development Plan, shall be detectable at any point along or outside the required screening along exterior boundaries of the pump stations.

M-4. Painting of Pump Stations Prior to Pipeline Operation

Prior to the pipeline operation, the Gaviota pump station, visible from Highway 101 and the Gaviota Village, the Sisquoc pump station visible from public viewshed, and all above ground portions of the pipeline shall be painted to harmonize with the surrounding area.

M-5. Visibility of Above-Surface Structures

No above-surface structures except necessary pipeline markers, pump stations, cathodic test stations, necessary fencing, and block valves shall be visible along this route after the completion of pipeline construction. Signs shall not detract from scenic areas or views from public roads to the extent feasible.

M-6. Determination of ROW in Gaviota State Park

Prior to construction, the permittee will review the feasibility of implementing mitigation measures and/or realignments in the Gaviota State Park area to avoid blasting of ridgetops and alteration of topography in a scenic area. The permittee shall submit a plan to the Planning and Development Department, for review and approval, which identifies the feasibility of shifting the ROW alignment to the west, leaving the ridge profile undisturbed. The plan shall include an investigation of utilizing prefabricated pipeline bends to allow for alignment around ridgetops, the use of stepped benches in steep terrain, and the future use of such a corridor for additional pipelines.

M-7

Any exterior night lighting installed on the project site for the Gaviota Creek Pipeline Lowering and Replacement project shall be of low intensity, low glare design, and shall be hooded to direct light downward onto the project site and prevent spill-over onto adjacent areas, especially U.S. Highway 101. In addition, the permittee shall consult with Caltrans on the location and type of lighting to be used to ensure it does not present a traffic hazard. **Plan Requirements and Timing:** This requirement shall be printed on all construction drawings prior to issuance of Coastal Development Permit (CDP). The permittee shall provide Planning and Development with a letter documenting their coordination efforts with Caltrans prior to CDP. **MONITORING:** EQAP monitor to confirm no impacts from night lighting. (*Mitigation Measure V-2) (adopted by the Planning Commission on September 6, 2000)*

N. NOISE

N-1. Noise Monitoring and Control Plan

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall file with the Planning and Development Department a Noise Monitoring and Control Plan which has been approved previously by the Department of Health Care Services and the Planning and Development Department. The plan shall describe the best efforts the permittee shall take to reduce the noise impacts of the project both during construction and operation of the project. The approved plan shall be implemented by the permittee and shall be followed until temporarily

suspended or deemed no longer necessary by the Planning and Development Department. The plan shall include provisions to ensure that items N-2 through N-6 below are included.

N-2. Sound Levels During Operation

Except for motor vehicles and motorized construction equipment, all facilities shall be designed, constructed, operated and maintained such that sound levels during operation do not exceed 70 dbA at or beyond the property line or pipeline easement, as measured on the "A" weighted scale at slow response on approved sound level measuring instruments. Affected property owners along the pipeline route shall be notified by PPC at least 48 hours in advance of any planned testing or maintenance of the line which may exceed noise standards. The facility shall comply with all standards established in the Noise Element of the Comprehensive Plan and the Coastal Zoning Ordinance. No residents, teachers, students and staff at the Vista del Mar School shall be subjected to greater than a 9 dbA increment above the baseline ambient noise level, nor greater than a 3 dbA increase in day-night sound levels. The best available technology, including but not limited to muffling equipment, sound barriers, and landscaping measures shall be used to minimize operational noise impacts.

N-3. Project-Related Noise During Construction

During the construction and operation phases, project-related noise at the Gaviota State Park, Vista del Mar School, Buellton area, or other points which may be impacted (as determined by the Health Care Services Director), shall be minimized between the hours of 7:00 a.m. and 10:00 p.m. Prior to construction in the impacted areas, the permittee will notify all residents within 1200 feet of the pipeline that noise impacts may occur during specific construction periods. Noise shall be limited to 50 dbA between the hours of 10:00 p.m. and 7:00 a.m., consistent with the County Noise Element and the Coastal Zoning Ordinance. Blasting shall be limited to the hours between 7:00 a.m. and 7:00 p.m. and directional charges shall be used to minimize noise.

N-4. Noise Generating Activities During Construction

As determined by the Planning and Development Department, noise generating project activities (including delivery of construction equipment through residential areas) shall be restricted between the hours of 10:00 p.m. and 7:00 a.m. If complaints arise concerning activities occurring during these hours, the permittee shall take additional feasible steps to reduce the noise levels or further restrict the offending activity.

N-5. Helicopter and Aircraft Noise

Prior to approval of the Final Development Plan, the permittee shall submit to the Director of the Planning and Development Department procedures that the permittee will take to minimize noise impacts from helicopters, or other aircraft during the aerial surveys of pipeline. The procedures, to be approved by the Planning and Development Department, shall specify overflight routes to be taken to minimize noise impacts to the community and other feasible measures. The permittee shall direct its contractors to abide by the helicopter procedures and shall take reasonable corrective action if complaints arise concerning the use of helicopters. Subject to flight safety considerations, the permittee shall avoid helicopter flights over residential areas.

N-6. Operation-Related Equipment Noise

All construction and operation-related equipment shall be operated and maintained to minimize noise generation, ground vibration, and to avoid interference with radio or video communications.

N-7

For the Gaviota Creek Pipeline Lowering and Replacement project, construction activity for site preparation and for future development shall be limited to the hours between 7:00 a.m. and 5:00 p.m. No construction shall occur on State holidays (e.g. Thanksgiving, Labor Day). Construction equipment maintenance shall be limited to the same hours. Non-noise generating construction activities are not subject to these restrictions. For the final pipeline segment tie in activities, work may continue beyond these hours as authorized by State Parks. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor shall spot check and respond to complaints. *(Mitigation Measure N-1) (adopted by the Planning Commission on September 6, 2000)*

O. ABANDONMENT

O-1. Removal of Pipeline and Pump Stations Upon Permanent Shut Down

Immediately following permanent shut down of the pipeline, PPC/Sable shall remove abandoned pump stations and unburied portions of the pipeline within Santa Barbara County constructed under this permit, recontour the site and revegetate the site in accordance with a County approved revegetation plan within one year of permanent shut down. PPC/Sable shall post a performance bond to insure compliance, or continue to pay property taxes as assessed during project operation until site restoration is complete, as determined by the County.

P. SYSTEMS SAFETY AND RELIABILITY

P-1. SSRRC Review of Diagrams

The permittee shall submit all appropriate pump station, valve, and pipeline construction and process diagrams to a System Safety and Reliability Review Committee (SSRRC) who may employ a third-party technical review in order to evaluate pipeline design and help identify possible design hazards prior to construction. The System Safety and Reliability Review Committee shall consist of a representative from the County Public Works Department, the APCD, the County Fire Department, County Flood Control District and the Planning and Development Department. All reasonable costs associated with any County review shall be borne by the permittee. The permittee shall be entitled to participate fully in the review process. If the review reveals a concern, the SSRRC shall share its findings with the permittee. If the permittee does not agree with the findings, the County's recourse is with the Department of Transportation, Office of Pipeline Safety for areas of pipeline construction under the jurisdiction of 49 CFR Part 195 (Transportation of Hazardous Liquids by Pipeline), with the exception of areas/issues agreed to by the permittee and the County.

P-2. Safety Inspection, Maintenance and Quality Assurance Program

The permittee shall submit a detailed Safety Inspection, Maintenance and Quality Assurance Program for the pump stations, valves, and the pipeline which shall be implemented during construction and operations. The Program shall include, but not be limited to, inspection of construction techniques, regular maintenance and safety inspections, periodic safety audits, corrosion monitoring and leak detection, inspections of all trucks carrying hazardous and/or flammable material.

The construction section of the Program shall be reviewed by the System Safety and Reliability Review Committee and/or its consultants prior to issuance of the Coastal Development Permit and Land Use Permit. The permittee shall fund a full-time U.S. Department of Transportation (or designated representative) pipeline inspector during pipeline construction phase activities. The

operations section of the Program shall be reviewed by the System Safety and Reliability Review Committee and/or its consultants prior to start-up. The Program shall be submitted sufficiently prior to the permittee's projected start-up date so as to allow reasonable time for staff review. All costs associated with this review process shall be borne by the permittee. Should the Committee find fault with these submissions, it will indicate its concerns to the permittee. If the permittee decides not to modify its plans to meet these concerns, the County's recourse is with the Department of Transportation, Office of Pipeline Safety for all areas under the jurisdiction of 49 CFR Part 195 (Transportation of Hazardous Liquids by Pipeline). In such a case, County shall timely notify DOT of review findings. Permits may not be withheld or suspended due to County concerns which are under the jurisdiction of 49 CFR Part 195 (Transportation of Hazardous Liquids by Pipeline), with the exception of areas/issues agreed to by the permittee and the County.

P-3. Emergency Response Plan

The permittee shall submit an Emergency Response Plan detailing response procedures to be implemented by the permittee for accidental events affecting public safety and the environment. This plan shall be based on a comprehensive risk analysis reviewed by the System Safety and Reliability Committee (condition P-1). The plan shall be reviewed and approved by the County Emergency Services Coordinator, the Fire Department, and the Planning and Development Department prior to start-up. Approval of the Plan shall be based on its consistency with the County's Area-Wide Oil and Gas Emergency Response Plan. The Program shall be submitted sufficiently prior to the permittee projected start-up date so as to allow reasonable time for staff review. The permittee shall demonstrate the effectiveness of the Emergency Response Plan by responding to one emergency response drill prior to or immediately after start-up.

P-4. Funding the County Emergency Response Plan

In order to assure that County emergency response procedures adequately interface with the permittee's emergency response procedures, the permittee shall provide its reasonable pro-rata share of funds to the County, to develop and implement a feasible County Emergency Response Plan for oil and gas industry related emergencies. As appropriate, the County shall request funds from other oil industry operators to aid in funding of the County Emergency Response Plan. When available, the Planning and Development Department shall provide the permittee with an estimate of the pro rata share of funds to be provided by the permittee and the method for allocating such costs among other operators.

P-5. Oil Spill Contingency Plan

The permittee shall submit an Oil Spill Contingency Plan detailing cleanup procedures and restoration procedures to be employed in the event of a spill. This plan shall be reviewed and approved by the Planning and Development Department and the County Emergency Services Coordinator prior to start-up. The Program shall be submitted sufficiently prior to the permittee projected start-up date so as to allow reasonable time for staff review. Procedures and techniques shall be selected to augment the Emergency Response Plan. The intent of the Oil Spill Contingency Plan is to detail spill site restoration subsequent to emergency response. The plan shall be approved based on its consistency with the intent of the condition "to detail site restoration subsequent to emergency response."

P-6. Site Security Plan

Prior to approval of the Final Development Plan, the permittee shall submit to the Santa Barbara County Sheriff's Department for review and approval a site security plan. The plan shall describe

procedures to be implemented by the permittee which will prevent intentional damage to facilities which may result in environmental damage or public safety hazards.

P-7. Temporary County Fire Company

The permittee shall cooperate with Chevron as necessary to facilitate the establishment of a temporary County fire company until the completion of the fire station (as specified in Chevron condition P-9). Prior to issuance of the Coastal Development Permit and Land Use Permit, the County Emergency Response Coordinator and Fire Department must be satisfied that provisions have been made to establish an operational fire company in the project area.

P-8. Cooperation with Chevron for Gaviota Area Fire Station

Prior to approval of the Final Development Plan, the permittee shall agree to participate in a plan to be submitted to the County Fire Department by Chevron USA Inc., for the construction, manning and equipping of a fire station in the Gaviota area. The permittee shall contribute their pro rata share of the cost of implementing this plan. When available, the Planning and Development Department shall provide the permittee with an estimate of the pro rata share of funds to be provided by the permittee and the method for allocating such costs among other operators.

P-9. Fire Protection Plan for the Pump Stations

Prior to Final Development Plan, the permittee shall submit to and obtain conceptual approval from the Fire Department, a Fire Protection Plan for the pump station locations. Final approval shall be obtained prior to start-up. Criteria to be addressed shall be obtained from the County Fire Department.

P-10 Transporting LPGs and NGLs Through Pipelines

Prior to approval of the Final Development Plan, the permittee shall assess the feasibility of transporting liquefied petroleum gases and natural gas liquids, (LPGs and NGLs) through the proposed pipeline by blending and/or batching, considering industry-wide projected volumes and market destinations of the gas liquids. The permittee shall report to the Planning and Development Department the results of this assessment, and this information shall include all technological and safety constraints involved, amount and type of additional storage facilities needed, and the degree to which LPGs and NGLs produced in the area can be transported through the pipeline. PPC/Sable shall transport the NGLs through this pipeline, to the extent feasible within safety and legal constraints as identified by the report and as requested by the users. In addition, under the reporting provisions of Condition C-1, PPC shall inform the County of the types and amounts of gas liquids shipped in the pipeline during operations.

P-11. Vista del Mar School Accommodation

If the Vista del Mar School has not been relocated or is located at a site where it could be impacted by construction activities, prior to approval of the Final Development Plan, the permittee and the Board Trustees of the Vista Del Mar School District shall develop a reasonable and mutually agreeable construction plan for the pump station site and pipelines adjacent to the site that will minimize construction-related noise, air pollution, and visual disturbance to the School during school hours. Said construction plan shall include the following: Pipeline construction noise near the School shall be held to ambient noise levels or construction shall occur only when school is not in session; to prevent exceedance of the California one-hour NO₂ standard, construction schedules must be modified to minimize overlapping of equipment emissions; and, during construction of

the pipeline, activities nearest the school shall be scheduled when school is not in session in accordance with Condition B-5 and temporary barriers shall be erected around noisiest activities. No grading for the Gaviota pump station shall occur during School session hours.

In the event that any agreements contained herein cannot be reached on the construction plan, the Board of Supervisors shall arbitrate any dispute.

P-12. Deleted.

P-13. Communication at the Operations Control Center and Activated Valves

The permittee will design the pipeline such that the entire pipeline will have effective control communication between the operations control center and all remotely activated valves. Any break, rupture, and/or damage to the pipeline shall result in the orderly shutdown of the pumping operations, and will activate the shut off valves, if appropriate, in a manner which will minimize environmental damage.

P-14. Compliance with the Watershed Fire Protection Plan

During construction of the pipeline in fire sensitive areas, the permittee shall meet or exceed applicable guidelines and requirements set forth in a Watershed Fire Protection Plan provided by the combined local fire protection agencies, Santa Barbara County Fire, U.S. Forest Service, and the California Department of Forestry. This shall include, but not be limited to: modifications of welding operations, required fire patrolman position(s), firefighting equipment, and construction restrictions due to extreme fire weather.

P-15. Compliance with the National Fire Protection Association Standards

All facilities, construction activities and equipment shall comply with National Fire Protection Association standards.

P-16. Map of Finished Pipeline Route

Upon completion of pipeline construction, the permittee shall provide all jurisdictional agencies (S.B. County Fire, USFS, CDF) with at least two copies of maps showing the finished pipeline route and shall include locations accessible by fire department emergency response vehicles. Said maps shall be 7 1/2 minute quadrangle scale, (one inch equals 24,000 inches), and shall represent topographical features.

P-17. Compliance with the 1982 Uniform Fire Code

The permittee shall be subject to required fire department inspections during and after construction as set forth by the 1982 Uniform Fire Code and these conditions.

P-18. Alternative Pipeline Corridor Alignments

Prior to approval of the Final Development Plan, the permittee shall designate alternative pipeline corridor alignments which avoid the two potentially impacted, proposed alternative permanent relocation school sites now under study by the Vista del Mar Union School District. These proposed alternative locations are the State Park at Las Cruces, and the Tajiguas Ranch property. County shall review and approve said alternative alignments as part of the Final Development Plan and the permittee shall implement the appropriate alternative alignment depending on the permanent school relocation site chosen by the Vista del Mar School District.

P-19. PCB Contamination at Canada de la Huerta

Prior to initiation of any pipeline construction at Canada de la Huerta, the permittee shall demonstrate to the satisfaction of Environmental Health Services that either: (1) no PCB contamination exists in the road and fill area across which the pipeline alignment is proposed; or, (2) that any PCB contamination detected has been adequately remediated. The permittee shall submit verification of Environmental Health Services' approval for construction to the Planning and Development Department prior to issuance of the Coastal Development Permit for pipeline construction in the Canada de la Huerta area.

P-20. Soil Tests at the Booster Pump Site

To determine the potential for hazardous materials contamination, AAPLP the permittee shall conduct soil tests at the booster pump site prior to construction, in coordination with the County Environmental Health Services Division.

P-21. Texaco's Emergency Access Road

The permittee shall not operate construction equipment on Texaco's emergency access road except to gain access to and from the construction site.

P-22

The permittee shall coordinate with PAPCO/PANGL to stake their pipelines prior to any excavation work for the Gaviota Creek Pipeline Lowering and Relocation project. Also, the permittee shall stake their existing 30" crude oil line prior to any excavation work. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** The EQAP monitor shall verify that the pipelines have been staked prior to construction. *(Mitigation Measure R-2) (adopted by the Planning Commission on September 6, 2000)*

P-23

For the Gaviota Creek Pipeline Lowering and Relocation project, if necessary, equipment needed within the creekbed should access the site from the west side so as not to cross the existing oil and gas lines. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to verify compliance in the field. *(Mitigation Measure R-3)(adopted by the Planning Commission on September 6, 2000)*

P-24

If any discolored or contaminated soil is encountered during construction of the Gaviota Creek Pipeline Lowering and Relocation project, the permittee shall suspend work activities in the immediate area and report to Protection Services Division (PSD) and the Energy Division immediately. PSD shall inspect the site with the permittee and shall determine the extent of the contamination. The permittee shall proceed as directed by PSD and the Energy Division should contamination be found. Such direction may include preparation of a Site Assessment and Work Plan, and site remediation if deemed necessary. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to verify compliance in the field. *(Mitigation Measure R-4) (adopted by the Planning Commission on September 6, 2000)*

P-25

Portable catch basins shall be placed beneath cut points prior to and for the duration of cutting activities for the Gaviota Creek Pipeline Lowering and Relocation project. A vacuum truck shall be onsite until all pipeline drainage and repair operations are completed. **Plan Requirements:** These requirements shall be printed on construction drawings. **MONITORING:** EQAP

monitor to verify compliance in the field. (*Mitigation Measure R-5) (adopted by the Planning Commission on September 6, 2000)*)

P-26

Following installation of the new pipeline segment at Gaviota Creek, use of the right-of-way shall be restricted to the pipeline easement. **MONITORING:** EQAP monitor to spot check in the field. (*adopted by the Planning Commission on September 6, 2000*)

P-27

The permittee shall, at all times during construction of the new pipeline segment at Gaviota Creek, provide onsite fire protection (water tanker, shovels and fire extinguishers). **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to spot check in the field. (*Mitigation Measure F-1) (adopted by the Planning Commission on September 6, 2000)*)

P-28

For the Gaviota Creek Pipeline Lowering and Replacement project, a fire watch shall be maintained for at least one half hour after completion of cutting or welding operations to detect and extinguish smoldering fires if operations occur within 10 feet of combustibles. Hot work permits and fire watch operations shall be coordinated through County Fire. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to monitor in the field. (*Mitigation Measure F-2) (adopted by the Planning Commission on September 6, 2000)*)

P-29

If welding trucks are used for the Gaviota Creek Pipeline Lowering and Replacement project, the vehicles shall be inspected and a permit issued at Fire Station 18. This would ensure that all hoses are adequate, a fire extinguisher is available, and a spark arrester is installed on any motor. **Plan Requirements:** The permittee to acquire a permit from Station 18. **MONITORING:** EQAP monitor to verify permit received prior to construction. (*Mitigation Measure F-3) (adopted by the Planning Commission on September 6, 2000)*)

P-30

The permittee shall notify the Fire Department at least 48 hours before construction may begin for the Gaviota Creek Pipeline Lowering and Replacement project. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to verify prior to construction. (*Mitigation Measure F-4) (adopted by the Planning Commission on September 6, 2000)*)

P-31

The permittee shall clear vegetation 10 feet on each side of the PAPCO/PANGL vault access road, staging areas, and along access portions of the pipeline right-of-way to 6 inches prior to construction of the Gaviota Creek Pipeline Lowering and Replacement Project. Vegetation near the cultural site at the Road 28 gate shall be hand cut to avoid adverse impacts to the site. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to field check prior to construction. (*Mitigation Measure F-5) (adopted by the Planning Commission on September 6, 2000)*)

Q. FACILITY DESIGN

Q-1. Demonstration of Compliance

The Final Development Plan shall demonstrate compliance with Santa Barbara County Coastal Zoning Ordinance, and other applicable County Ordinances to the extent required by this permit.

Q-2. Energy Conservation Techniques

Cost effective energy conservation techniques shall be incorporated into project design.

Q-3. Common Carrier Pipeline

PPC's facilities will be operated as a common carrier pipeline with access for use available on a nondiscriminatory basis. County retains the right to verify that the use of the facilities is conforming with County policies on consolidation and to impose additional reasonable permit conditions where necessary to assure these policies are being fulfilled to the extent feasible. The intent of this condition is to ensure the multi-company access of oil transportation facilities.

Q-4. Compliance with County Petroleum Ordinance No. 2795

PPC shall comply with all applicable policies in Section 25 of the Santa Barbara County Petroleum Ordinance No. 2795.

Q-5. Power Transmission Lines

The permittee shall fund a pro-rata share of the costs to bury power transmission lines or of using environmentally and aesthetically preferred poles between the Goleta Substation and Gaviota in areas where the County and SCE determine it is not feasible to bury the lines. The permittee's pro-rata share shall be based upon an equitable cost-sharing formula applied to all users of the grid power consistent with PUC rate setting and applicable regulations.

Attachment C

Planning Commission Staff Report_2024.10.22

SANTA BARBARA COUNTY PLANNING COMMISSION

Staff Report for a Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline System Final Development Plan Permits

Hearing Date: October 30, 2024

Staff Report Date: October 22, 2024

Environmental Document: CEQA Exemption
Section 15378(b)(5)

Deputy Director: Errin Briggs *Errin Briggs*

Division: Energy, Minerals & Compliance

Supervising Planner: NA

Supervising Planner Phone #: NA

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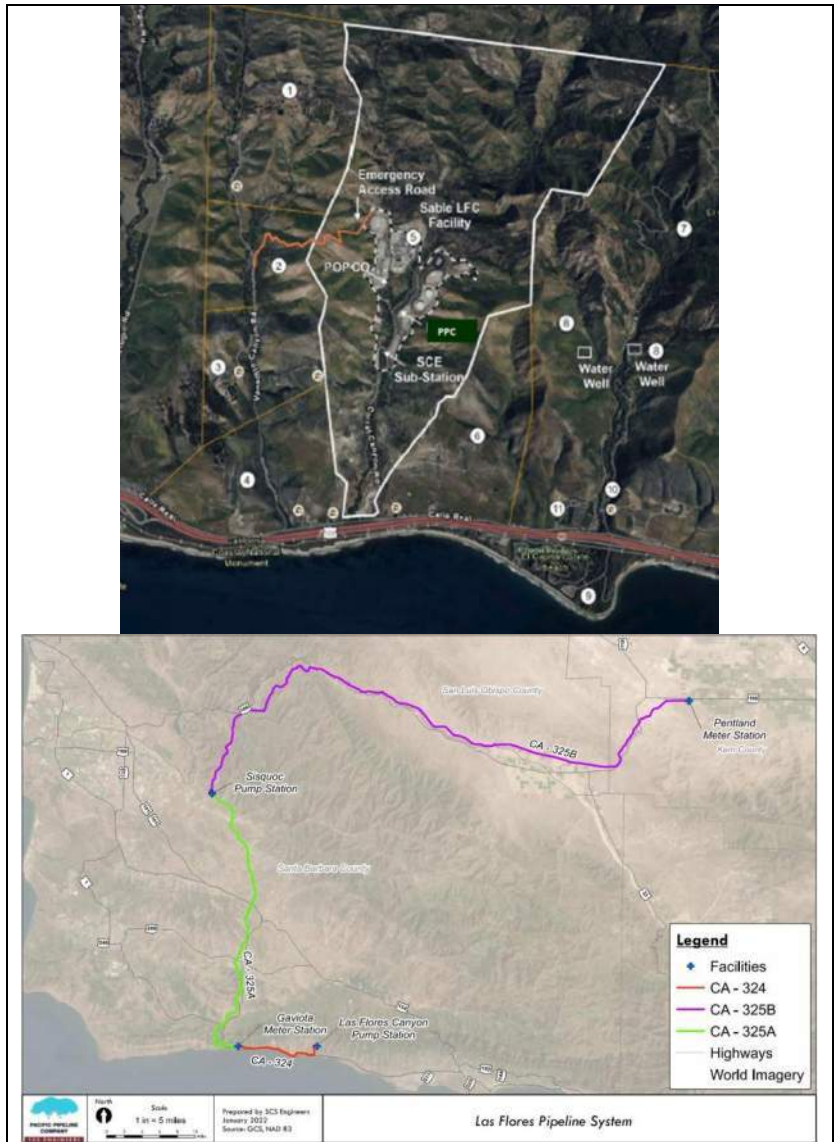
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Location of the Santa Ynez Unit and POPCO Gas Plant in Las Flores Canyon (above) and the Las Flores Pipeline System (below) in the First, Third, and Fourth Supervisorial Districts.

1.0 REQUEST

Hearing on the request of Sable Offshore Corporation (Sable) to consider the approval of a change of Owner, Operator, and/or Guarantor for the following oil and gas facilities per Chapter 25B of the County Code:

- Santa Ynez Unit (SYU) Final Development Plan (FDP) Permit No. 87-DP-32cz (RV06) from ExxonMobil Corporation to Sable (Owner, Operator, and Guarantor);
- Pacific Offshore Pipeline Company (POPCO) Gas Plant FDP Permit No. 93-FDP-015 (AM03) from ExxonMobil Corporation to Sable (Operator and Guarantor); and
- Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz) from ExxonMobil Pipeline Company (EMPCo) to Sable (Operator), and ExxonMobil Corporation to Sable (Guarantor).

The applications for a Change of Owner, Operator, and Guarantor involve oil and gas facilities located in Las Flores Canyon along the Gaviota Coast within Assessor Parcel Numbers (APNs) 081-220-002, 081-220-014, 081-230-019, 081-230-025, and a linear pipeline system crossing various APNs spanning from Santa Barbara County to Kern County within Santa Barbara County's First, Third, and Fourth Supervisorial Districts. Documents related to this request may be reviewed at the Planning and Development Department located at 123 East Anapamu Street, Santa Barbara, and on the County's website at <https://www.countyofsb.org/4189/SYU-POPCO-Gas-Plant-Las-Flores-Pipelines>.

2.0 RECOMMENDATION AND PROCEDURES

Your Commission's motion should include the following:

1. Make the required findings for approval of the Change of Owner, Change of Operator, and Change of Guarantor as specified in Attachment A of this staff report, including CEQA findings;
2. Determine the requests are not a project pursuant to CEQA Guidelines Section 15378(b)(5), as included in Attachment C; and

3. Approve the Change of Owner, Operator, and Guarantor for the respective SYU, POPCO Gas Plant, and Las Flores Pipeline System FDP Permits, subject to the conditions included as Attachments B-1 through B-3.

Refer back to staff if the County Planning Commission takes other than the recommended action for appropriate findings and conditions.

3.0 JURISDICTION

The requests consist of three FDP permit transfers pursuant to County Code Chapter 25B, which governs the process to transfer a County permit from an existing Owner, Operator, and/or Guarantor to a new person(s) for certain oil and gas facilities located in the unincorporated areas of the County (herein referred to as a 25B Permit Amendment). Chapter 25B is applicable to these requests because the subject facilities are involved in the exploration, production, processing, storage and/or transportation of oil and gas extracted from offshore reserves, as provided by Sec. 25B-2. Pursuant to Sec. 25B-8, the review authority for a Change of Owner and a Change of a Guarantor is the Planning and Development (P&D) Director, and the review authority for a Change of Operator is the Planning Commission. Applications that include components under both jurisdictions may be processed with a combined application and decided on by the Planning Commission in accordance with Sec. 25B-8(C).

4.0 ISSUE SUMMARY

The SYU and POPCO Gas Plant (herein referred to as the Las Flores Canyon Facilities) are existing permitted facilities that produce and treat crude oil and natural gas from offshore Platforms Hondo, Harmony, and Heritage in the Santa Barbara Channel. The SYU is permitted under County FDP Permit No. 87-DP-32cz (RV06), and the POPCO Gas Plant is permitted under County FDP Permit No. 93-FDP-015 (RV02). Oil produced from the SYU is normally transported via the common-carrier Las Flores Pipeline System to the Pentland Station in Kern County (formerly known as the Plains All American Pipeline). The pipeline system is permitted under FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01) (88-DPF-25cz; 85-DP-66cz; 83-DP-25cz). In 2015, a section of the Las Flores Pipeline System (then the Plains All American Line 901) ruptured, resulting in the shutdown of both the Las Flores Canyon Facilities and the pipeline system. Although no oil is being processed or transported from the Las Flores Canyon Facilities or Las Flores Pipeline System, the County permits remain active. Preservation activities continue to be conducted on the systems in order to maintain integrity, including preventative and corrective maintenance and various inspection programs under federal, state, and local laws and permits.

On February 14, 2024, Sable acquired the SYU, as well as POPCO and Pacific Pipeline Company (PPC), the owners of the Gas Plant and the Las Flores Pipeline System, respectively. The County was notified of the sales on March 11, 2024, and Sable submitted 25B Permit Amendment applications on March 14, 2024. Chapter 25B requires that all applicable County laws and permits be maintained during and after all changes of Owner, Operator, and/or Guarantor for certain oil and gas facilities. Staff determined the applications to be complete on July 30, 2024, and the requests are now together before the Planning Commission for consideration. These application requests are to transfer existing County permits to a new Owner, Operator, and/or Guarantor, and not for the actual transfer of the underlying assets themselves.

5.0 PROJECT INFORMATION

5.1 Site Information

Site Information	
Ordinance, Zone	Chapter 25B of the County Code governs a Change of Owner, Operator, and Guarantor for the SYU, POPCO Gas Plant, and Las Flores Pipeline System. The facilities are also subject to Article II for coastal portions and the LUDC for inland portions.
Site Size	Las Flores Canyon Facilities: 1,476.67 acres Las Flores Pipeline System: 122 linear miles
Present Use & Development	Las Flores Canyon Facilities: Onshore consolidated oil and gas processing and storage facilities. Since 2015, facilities have been shut-in, isolated, and placed in a “preserved” state with ongoing maintenance activities conducted to maintain facility integrity. Facilities remain in this preserved state. Las Flores Pipeline System: The system is classified by the U.S. Department of Transportation Pipeline and Hazardous Materials Safety Administration (PHMSA) and the CAL FIRE Office of the State Fire Marshal (OSFM) Pipeline Safety Division as “Active”, but remains out-of-service since 2015.
Access	The Las Flores Canyon Facilities are located at 12000 Calle Real and accessed from U.S. Highway 101 along the Gaviota Coast. Regional access to the Las Flores Pipeline System is provided via Highway 101, Highway 1, Highway 246, and Highway 166. Various local public and private roadways are used to access the pipeline right-of-way and associated metering and regulating stations (pump stations).

Site Information	
Public Services	Water Supply: Private groundwater system Sewage: Private septic system Fire: Stations 38 (Gaviota); 31 (Buellton); 24 (Los Alamos); 21 (Orcutt); 26 and 23 (Santa Maria Valley), and 27 (Cuyama) Police Services: County Sherriff

5.2 Background Information

Santa Ynez Unit - Las Flores Canyon Facilities. Exxon began producing oil from Platform Hondo in 1981. At that time, crude oil was loaded onto marine tankers from an offshore storage and treatment vessel and transported to refining destinations. In 1983, the POPCO Gas Plant was completed and began processing natural gas for sale to the local market. In 1987, the County approved the consolidation of onshore oil and gas processing, and sanctioned oil transportation and sales via an onshore pipeline. In May 1993, offshore platforms Harmony and Heritage were constructed and additional onshore components were completed. The Las Flores Canyon Facilities separate oil, propane, butane, sulfur products, and fuel quality natural gas. Since late 1993, production from Platforms Hondo, Harmony, and Heritage has been processed at Las Flores Canyon and transported via the independently owned and operated Las Flores Pipeline System (formerly the Plains Line 901 and 903 pipeline system).

Las Flores Pipeline System. The Las Flores Pipeline system is a common carrier pipeline system consisting of 122 linear miles of pipeline segments, mainline valves, pipeline markers, cathodic protection test stations, and three metering and regulating stations (Las Flores Canyon Station, Gaviota Station, and Sisquoc Station) running from Santa Barbara County to the Pentland Delivery Station in Kern County. The pipeline is categorized into two parts, identified as CA-324 (formerly Line 901), and CA-325 (formerly Line 903). CA-324 is a 24-inch diameter pipeline designed to transport crude oil approximately 10.9 miles from the Las Flores Station to the Gaviota Station along the Gaviota Coast. CA-325 is a 30-inch diameter pipeline designed to transport crude oil approximately 61.7 miles from the Gaviota Station to the Sisquoc Station, through the Cuyama Valley to the Pentland Station. Pipeline construction occurred from 1988 to 1991, and the system became operational in 1994 under Celeron/All American. Plains acquired Lines 901 and 903 from Celeron/All American in 1998. PPC acquired the pipeline system from Plains in 2022.

2015 Oil Spill and Las Flores Canyon Facility Preservation. On May 19, 2015, a section of CA-324 (then Plains Line 901) ruptured and released oil on land, beaches, and into the Pacific Ocean near Refugio State Beach (herein referred to as the 2015 Refugio Incident). As a result of the oil spill,

the pipelines were shut down, purged, and isolated under the authority and review of PHMSA. Various clean-up and monitoring activities continued into 2016 and were overseen by the U.S. Coast Guard and the U.S. Environmental Protection Agency (EPA). Following the 2015 Refugio Incident, the safety oversight of the pipeline system was transferred from PHMSA to the OSFM under the State Program Certification Agreement pursuant to Title 49 U.S. Code § 61015. OSFM now has the exclusive safety regulatory and enforcement authority over the pipelines. Maintenance activities continue to date in order to maintain pipeline integrity, including “smart pig” tests and other structural testing, pipeline anomaly inspections and repairs, and external audits overseen by the OSFM.

The 2015 Refugio Incident also resulted in the shutdown of the Las Flores Canyon Facilities, as the pipelines were the only permitted transportation option for SYU oil. At the time of the 2015 Refugio Incident, oil production from SYU was about 27,500 barrels per day (bpd). Following the spill, production was curtailed and stored onsite. The stored oil was de-inventoried in February 2016 after production was fully ceased. De-inventory involved trucking approximately 400,000 barrels of crude oil to the Phillips 66 Santa Maria Pump Station in Santa Barbara County, and the Plains Pentland Terminal in Kern County under an Emergency Permit issued by the County of Santa Barbara. Following the de-inventory, a preservation plan for the Las Flores Canyon Facilities was implemented. Offshore platforms were shut-in and isolated, and onshore equipment was purged of hydrocarbons and filled with nitrogen. Though the SYU is not currently producing, routine operational activities are conducted to maintain facility integrity, including preventative and corrective maintenance, and various inspection programs overseen by PHMSA, EPA, the Occupational Safety and Health Administration (OSHA), the Bureau of Safety and Environmental Enforcement (BSEE), the Santa Barbara County Environmental Health Services Certified Unified Program Agency (CUPA), the Santa Barbara County Fire Department, the Santa Barbara County Air Pollution Control District (APCD), the Santa Barbara County P&D, and the Santa Barbara County Systems Safety & Reliability Review Committee (SSRRC).

Change of Owner/Operator/Guarantor. Transfer of County permits to a new Owner, Operator, or Guarantor are subject to 25B Permit Amendments in accordance with Sec. 25B-4. In accordance with Sec. 25B-7, the County shall list any existing Owner, Operator, or Guarantor and remove any previous Owner, Operator, or Guarantor on the appropriate County permits upon finding that such person has submitted and complied with all information required by County Code. Sable submitted 25B Permit Amendment applications for the SYU, the POPCO Gas Plant, and the Las Flores Pipeline System in March 2024. Applications were determined to be complete on July 30, 2024. In accordance with the noticing requirements outlined in the County’s Land Use and Development Code Section 35.106.020, and Coastal Zoning Ordinance Section 35-181, a

Notice of Submittal of Complete Application was distributed to P&D's Energy Division Oil and Gas Interested Parties List and published in local newspapers in lieu of mailed notices to surrounding property owners (due to the regional size of the facilities). Sable also posted required notices at the entrance to Las Flores Canyon at 12000 Calle Real. Information has also been posted to the County webpage at:

<https://www.countyofsb.org/4189/SYU-POPCO-Gas-Plant-Las-Flores-Pipelines>.

5.3 Project Description

Sable acquired the SYU, as well as POPCO and PPC on March 14, 2024. Sable is requesting County permit transfers under Chapter 25B of the County's Code of Ordinances that governs the change of Owner, Operator, or Guarantor for certain oil and gas facilities. For the respective County FDP permits, Sable is the proposed Owner, Guarantor, and Operator for the SYU, and the proposed Guarantor and Operator for both the POPCO Gas Plant and the Las Flores Pipeline System. POPCO remains the Owner of the POPCO Gas Plant, and PPC remains the Owner of the Las Flores Pipeline System. Sable is a Delaware corporation, and was formed on October 16, 2020 for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization, or other similar business combination with one of more business entities.

6.0 PROJECT ANALYSIS

6.1 Environmental Review

The 25B Permit Amendments are not subject to the requirements of CEQA, as they do not constitute a "project", as defined by CEQA Guidelines Section 15378(a), which states in part:

"'Project' means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment..."

Section 15378(b)(5) specifically exempts "organizational or administrative activities of governments that will not result in direct or indirect physical changes to the environment" from this definition. A County Chapter 25B Permit Amendment is an administrative action that would not result in any direct or indirect physical changes to the environment. Under the proposed project, the Owner, Guarantor, and Operator of the SYU would change from ExxonMobil Corporation to Sable, the Guarantor and Operator of the POPCO Gas Plant would change from ExxonMobil Corporation to Sable, and the Guarantor and Operator of the Las Flores Pipeline

System would change from ExxonMobil Corporation and EMPCo to Sable. No physical changes to the Las Flores Canyon Facilities or the Las Flores Pipeline System are proposed under this request.

Further, the County has historically considered all previously processed 25B Permit Amendments to not constitute as a “project”, including the previous 2023 Change of Owner, Operator, and Guarantor for the Las Flores Pipeline System from Plains to PPC, EMPCo, and ExxonMobil, respectively. The CEQA Notice of Exemption is included as Attachment C to this Staff Report.

6.2 Consistency with Chapter 25B

Staff’s consistency analysis with Chapter 25B is provided in Table 1 for the SYU, Table 2 for the POPCO Gas Plant, and Table 3 for the Las Flores Pipeline System. Findings are included as Attachment A.

6.2.1 SYU

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
Change of Owner	
Sec. 25B-9 Director approval: findings. (a) Change of Owner. The Director shall approve an application for a change of owner only if the director makes the following findings: (1) Fees and Exactions. All outstanding county required fees and exactions due for the facility have been paid.	Consistent. Staff has verified with the P&D Accounting Department that no outstanding payments are due for the facility, or for any related planning and compliance cases.
(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have	Consistent. No current County-required bonds are in place for the SYU. A discussion of financial guarantees as they relate to the SYU Permit Conditions are described in the bullets below. A discussion of Sable’s overall

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
been updated, if necessary, to reflect the new owner(s) and will remain in full effect following the ownership change.	financial capabilities to operate the SYU are described further below in Table 1, Section 25B-10(a)(9) <i>Operator Capability</i>. ➤ Previously required bonds under the FDP Permit were limited to post-construction landscaping and revegetation of the site. These bonds were put in place prior to the issuance of the original land use permits, and were released back to Exxon following construction of the SYU. These bonds are considered closed, and no further action is required. ➤ FDP Permit Condition XXX-1 requires the permittee to be responsible for the proper abandonment of the facility, and that a performance bond be in place, or that the permittee continue to pay property taxes until abandonment is complete. There is no bond for the abandonment of the SYU. Instead, Sable would continue to pay property taxes until full abandonment and site restoration is complete. According to Sable's financial statements and exhibits filed with the Securities and Exchange Commission (SEC) through June 2024 (Form 8-K)¹, Sable has \$112.1 million dollars in cash and cash equivalents, and is valued over \$1.35 billion dollars,

¹ Sable SEC filings available online at: [Sable Offshore Corp. - Financials - SEC Filings](#)

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	including debts and equities. According to the County's Assessor office², the 2023 property taxes for the Las Flores Canyon Facilities totaled \$77,681.90. Therefore, Sable's current cash funds are sufficient to cover the continued payment of property taxes for the proper abandonment of the facilities. ➤ FDP Permit Condition XI-2.w. requires that the permittee be responsible for the cleanup and successful restoration of all affected areas and resources in the event of an oil spill or gas leak at the SYU. To demonstrate financial capability for this condition, Sable provided copies of their Property Insurance, which protects the Las Flores Canyon Facilities against loss or damage to tangible property (caused by fire, theft, natural disasters, etc.), as well as copies of their Liability Insurance, which protects Sable against financial loss from any legal claims made against the policyholder. The documents show that Sable's offshore property damage limits total \$1.23 billion dollars, and that the onshore property damage limits total \$1.3 billion dollars. Sable's Certificate of Liability Insurance, which was first submitted in June 2024 and increased in

² County Tax summaries available online at: <https://sbcassessor.com/assessor/AssessorParcelMap.aspx>

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	October 2024, demonstrates \$401 million dollars in liability insurance for all of Sable’s assets (the Las Flores Canyon Facilities and the Las Flores Pipeline System) to cover oil spills, seepage, and pollution, as well as general liability coverage, auto liability, and workers compensation coverage. Sable’s insurance certificates are provided in Attachment G. ➤ Condition XI-2.w. also requires the permittee to provide the County with a copy of its Certificate of Financial Responsibility (COFR) for its offshore Santa Barbara operations. The CDFW Office of Spill Prevention and Response (OSPR) issues COFRs to facilities, vessels, and pipelines operating in a location where a spill could impact California marine waters after applicants demonstrate they have the financial resources to cover the costs of response for a “worst-case scenario” spill. Sable provided the COFR for the offshore crude oil & water emulsion pipeline (portion in state waters) dated September 3, 2024 that reflected a worst-case scenario of the SYU not producing. The COFR was then re-issued by OSPR on October 3, 2024 to reflect a worst-case scenario for the restart of production. The October

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	2024 COFR (Certificate No. 2-2623-00-001) is included as Attachment H.
(3) Acceptance of Permit. The proposed owner has provided a letter from a responsible official representing the proposed owner formally accepting all, conditions and requirements of the permit.	Consistent. Sable provided a signed Agreement to Comply with Conditions of Approval of the FDP Permits as part of their application materials (Attachment D). The Agreement outlines Sable’s acceptance of all conditions and requirements of the permit. The Agreement was recorded with the County Clerk-Recorder’s Office as an official document on September 13, 2024 to establish the permanent record of the transaction.
(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the new or proposed new owner(s). A safety inspection maintenance and quality assurance program (SIMQAP) audit approved by the appropriate county official shall satisfy this requirement.	Consistent. ➤ The SYU is subject to County SSRRC audits through its approved SIMQAP. The SIMQAP covers the SYU and POPCO Gas Plant, and is used during operation of the facilities to ensure all equipment, instrumentation, and safety systems function as designed. The most recent County-conducted safety audit of the Las Flores Canyon Facilities was conducted on July 16 -17, 2014 and consisted of a facility walk-through, records review, equipment inspections, alarm checks, procedure and training updates, and maintenance activities among other tasks. The 2014 audit observed 62 items that needed to be addressed. Audit items

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	are ranked from very minor housekeeping items, to items that would cause a low, moderate, or significant potential for serious personal injury, negative environmental impact, property damage, or hazardous material release. Only minor housekeeping and low potential items were observed during the 2014 audit. All items were addressed by September 11, 2015, except for minor repairs required on an evaporative cooler and a crude oil emulsion heater. ➤ Following the 2014 SIMQAP audit, operations at the Las Flores Canyon Facilities were suspended due to the 2015 Refugio Incident, and the facilities were placed into a preserved state to manage the site over the long term. On July 9, 2015, the SSRRC approved the deferral of annual SIMQAP audits until the Las Flores Canyon Facilities resume production. Though annual SIMQAP audits are currently deferred, routine maintenance reports are still submitted to the SSRRC by the permittee monthly. Sable has submitted monthly maintenance reports beginning in February 2024, which continue to date. There are no current outstanding SSRRC recommendations on the monthly

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	maintenance reports that need to be addressed. ➤ In addition, the County Fire Department and the County APCD continue to conduct routine inspections of the facility under their respective jurisdictions.
(5) Compliance With Existing Requirements. As of the date that the application is deemed complete, the current owner(s) are in compliance with all requirements of the permit, including any requirement of a county-required safety audit, any notice of violation, and any county ordinance, or the current and proposed owner(s) have entered into a written agreement with the Director that specifies an enforceable schedule to come into compliance with such requirements.	Consistent. At the date of application completeness (July 30, 2024), ExxonMobil was in compliance with all requirements of the FDP Permit. No notice of violations have been issued to any permittee regarding the facility.
CHANGE OF GUARANTOR	
Sec. 25B-9 Director approval: findings. (e) Change of Guarantor. The Director shall approve an application to modify a permit pursuant to Sec.25B-8.1.a.iii for a change of guarantor only if the director makes the following findings: (1) Financial Guarantees. The proposed guarantor has provided all necessary instruments or methods of financial responsibility approved by the county	Consistent. The analysis of this finding is discussed in the similar finding listed above in Table 1, Section 25B-9(a)(2).

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
and necessary to comply with the permit and any county ordinance.	
CHANGE OF OPERATOR	
Sec. 25B-10 Planning Commission approval: findings. (a) The planning commission shall approve an application for change of operator only if the planning commission makes the following findings: (1) Fees and Exactions. All outstanding fees and exactions due for the facility have been paid.	Consistent. The analysis of this finding is discussed in the similar finding listed above in Table 1, Section 25B-9(a)(1).
(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new operator and will remain in full effect following the operator change.	Consistent. The analysis of this finding is discussed in the similar finding listed above in Table 1, Section 25B-9(a)(2).
(3) Acceptance of Permit. The proposed operator has provided a letter from a responsible official representing the proposed operator formally accepting all conditions and requirements of the permit.	Consistent. The analysis of this finding is discussed in the similar finding listed above in Table 1, Section 25B-9(a)(3).
(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with	Consistent. The analysis of this finding is discussed in the similar finding listed above in Table 1, Section 25B-9(a)(4).

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
a description of the status of implementing its recommendations, to the proposed new operator. A safety inspection maintenance and quality assurance plan audit approved by the appropriate county official shall satisfy this requirement.	
(5) Compliance with Existing Requirements. As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation, and any county ordinance, or the owner and proposed operator have entered into a written agreement with the director that specifies an enforceable schedule to come into compliance with such requirements.	Consistent. The analysis of this finding is discussed in the similar finding listed above in Table 1, Section 25B-9(a)(5).
(6) Compliance Plans. The current owner and proposed operator have updated, where applicable, any existing, approved safety inspection maintenance and quality assurance program, emergency response plan, fire protection plan, and oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator. The current owner and proposed operator have agreed in writing to revise all other plans required by the permit or any county	Consistent. ➤ Sable submitted all major Compliance Plans (e.g. Fire Protection Plan, Emergency Response Plan) with the current emergency contact information pertaining to the new operator by July 30, 2024 (the date of application completeness determination), and submitted all other updated compliance plans by August 14, 2024 (within six months of assuming operations). Plans are listed in Table 1.1 below. Most SYU

Table 1			
Consistency with Chapter 25B			
Change of Owner, Guarantor, and Operator for the Santa Ynez Unit			
FDP Permit No. 87-DP-32cz (RV06)			
REQUIREMENT		DISCUSSION	
ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.		plans are integrated with POPCO Gas Plant plans. All plans were reviewed and approved by the P&D planner to confirm emergency contact information was updated as required by 25B-10(a)(6). ➤ Though not required by Chapter 25B, plans were also reviewed for technical accuracy by the SSRRC, the County Fire Department’s Office of Emergency Management (OEM), and P&D Energy Division’s (EMC) petroleum engineering consultant where appropriate. Some plans also require formal approval from other regulatory agencies outside of the County’s Change of Operator process. ➤ A link to all publicly-available (redacted) Compliance Plans submitted as part of this application is included as Attachment F. Plans that only relate to the original construction of the Las Flores Canyon Facilities are considered satisfied and are not included.	

Table 1.1			
SYU/POPCO Compliance Plans			
Plan Name	SYU FDP Condition	POPCO FDP Condition	Reviewing Department
Emergency Response Plan	XI-2.c.	P-3	P&D / OEM / EMC
Fire Protection Plan	X1-2.i.	N-3	P&D / OEM / EMC
Groundwater Management Plan	XVI-1	-	P&D
Integrated Noise Monitoring Plan	XV-1	L-2	P&D
NGL Inventory Management Plan	VI	P-6	P&D
Preservation Plan	-	-	P&D / EMC
Santa Barbara Harbor Use Plan	X-19	-	P&D
Site Security Plan	XI-2.h.	-	P&D
SIMQAP	XI-2.a.	P-2	P&D / SSRRC
Surface Water Monitoring Plan	XVII-1	H-1	P&D

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)			
REQUIREMENT		DISCUSSION	
Transportation Risk Management and Prevention Program (TRMPP)	VI	P-7	P&D
(7) Transitional Plan. The current owner or operator and proposed operator have submitted a transitional plan that will demonstrate the proposed operator shall receive adequate training, including by means of cross training by the current operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f before assuming control of operations. The plan has been approved by the director. The planning commission may exempt the current owner and proposed operator from this requirement, or portions thereof, for good cause.		Consistent. Sable submitted a comprehensive Transition Plan for the Las Flores Canyon Facilities as part of their application materials. The Plan describes the background of the facilities, the general approach to the transition from Exxon and Sable, details on the facility staffing and support employees, and asset-specific training and general training conducted. The plan demonstrates that the majority of Sable’s onsite management team have stayed employed at the Las Flores Canyon Facilities by transitioning into the same or similar roles from Exxon. These positions include production and maintenance managers, health and safety supervisors, regulatory supervisors, construction managers, superintendents and foremans, as well as operators and technicians that cover day-to-day shifts. This demonstrates cohesiveness of the facility teams and the ability to continue operations with limited staffing and training disruptions. The plan was reviewed and approved by P&D as part of the application completeness determination process. A publicly-available (redacted) version of the SYU/POPCO Transition Plan is included as Attachment E-1.	

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
(8) Emergency Response Plan Drills. The proposed operator has adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.	Consistent. Sable submitted an updated Emergency Response Plan (Attachment F) and staffing details for their Incident Management Team (IMT) who run the response drills as part of their application materials (Attachment D). Documents demonstrate that the IMP has maintained consistent personnel with very limited changes from Exxon to Sable. Almost all of the IMT members who participated in previous emergency response drills under Exxon (last conducted in 2023), continue to serve in the same or similar roles with Sable. The IMT under Sable held a comprehensive emergency response drill on September 19, 2024. P&D confirmed with OEM Captain, Mr. Tim Gailey, that the 2024 emergency response drill was completed in accordance with County requirements, and that no outstanding issues were identified.
(9) Operator Capability. The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f. The director shall require relevant records of compliance, and corrective actions taken subsequent to any major incidents for	Consistent. Sable was formed in October 2020 as an independent oil and gas company headquartered in Houston Texas as a special purpose acquisition company. The bullet items below describe the technical and financial capabilities of Sable's management and operating teams, as well as previous safety and operating records.

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.	<i>Technical Capabilities and Staffing</i> ➤ Sable’s Executive Management Team consists of Mr. Jim Flores as CEO, and Mr. Gregory Patrinely as Executive Vice President and CFO. Mr. Flores and Mr. Patrinely have managed oil and gas exploration and production businesses in the Pacific Ocean, the Gulf of Mexico, and onshore California (including Santa Barbara County) together for more than 30 years. Operations previously executively managed by Mr. Flores and Mr. Patrinely in Santa Barbara County include Platform Irene and the associated Lompoc Oil & Gas Plant and Point Pedernales Pipelines (together Point Pedernales Facilities), and Platforms Harvest, Hidalgo, Hermosa and the associated Gaviota Oil & Gas Plant and Point Arguello Pipelines (together Point Arguello Facilities) while managing Plains Exploration and Production Company (PXP) and Freeport-McMoRan, Inc (FMOG). Mr. Flores and Mr. Patrinely have also executively managed oil and gas facilities in the Permian and Delaware Basins in Texas while managing Sable Permian Resources (now Permian Resources). Information on Sable’ Executive Management Team was

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	provided in the application materials, included as Attachment D. ➤ Sable’s Upper Management Team, including the Vice President of Operations, the Vice President of Environmental & Regulatory Affairs, the Director of Facilities, and the Director of Operations have all carried over from similar leadership roles at PXP/FMOG, and have extensive previous experience managing the Point Pedernales and Point Arguello Facilities. These key leadership employees have an average of 31 years of experience operating Santa Barbara County-specific oil and gas facilities. Information on Sable’s Operative Management Team was provided in the SYU/POPCO Transition Plan; however, employee details are considered confidential information not available to the public. A publicly-available version of the plan is provided as Attachment E-1. ➤ Sable’s Onsite Middle Management Team, including the Construction Manager, the Senior Regulatory and Compliance Supervisor, the Senior Health, Safety & Environment Supervisor, the Production & Maintenance Manager, the Plant Superintendent, and the Plant Foremen have all transferred over from the same or similar leadership roles at

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	the Las Flores Canyon Facilities under Exxon. These key onsite employees have an average of 23 years of experience in the oil and gas industry, and an average of 21 years of service working at the Las Flores Canyon Facilities themselves. Information on Sable’s Onsite Middle Management Team was provided in the SYU/POPCO Transition Plan (Attachment E-1). ➤ Approximately 64 percent of the onsite facility employees (e.g. technicians and operators) have also transferred over in their same or similar capacity from Exxon. The average SYU employee has over 18 years of oil and gas experience. Information on facility employees was provided in the SYU/POPCO Transition Plan (Attachment E-1). ➤ All Las Flores Canyon Facility employees have had training on the facility-specific Compliance Plans, as demonstrated on a signed confirmation statement attached to the Transition Plan (Attachment E-1). New employees would train on facility-specific Compliance Plans during onboarding activities. ➤ Sable has also continued contracts with third-party contractors who have historically served the Las Flores Canyon Facilities for maintenance, landscaping,

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	security, material handling, inventory management, integrity testing, inspections, evaluations, and restoration. <i>Safety and Compliance Records</i> To satisfy the required records of compliance needed for this finding, P&D directed Sable to include compliance records for any major incidents, as defined in Sec. 25B-3, for Sable management-affiliate companies from the past 5 years the management team operated those companies. This included Sable Permian Resources from 2017 – 2021, FMOG from 2013 – 2017, and PXP from 2009 – 2013. A reporting period of five years was requested, as it is sufficiently long enough for environmental assessments and legal ramifications to be complete in most cases, and long enough to observe recent trends and demonstrate how measures are taken to prevent future accidents. Based on the information provided, Sable’s management team has had zero major incidents involving oil and gas facilities over the requested timeframes. To further demonstrate safe and responsible operatorship while managing PXP, FMOG, and Sable Permian Resources, Sable also provided a list of awards received from Santa Barbara County, the National Safety Council, the California Department of

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	Conservation, and the U.S. Bureau of Land Management (Attachment D). <i>Financial Capabilities</i> ➤ Financial highlights outlined in Sable’s SEC Quarterly Report (Form 10-Q, page 6) dated August 13, 2024, states that Sable has experienced financial losses from its operations, and has a current cash flow of \$112.1 million dollars and an accumulated deficit of \$426.6 million dollars. Sable currently has investment agreements totaling \$440 million dollars. Sable states that it has sufficient remaining capital to maintain operations at the current financial loss, complete necessary repairs, and obtain regulatory approvals to restart production under its current cash flow and investment amounts. ➤ For the purposes of the 25B Permit Amendment, the County’s review and findings are limited to only assessing the financial guarantees required by County permits or by County ordinance. In this case, the SYU does not have any current required bonds or assurances under the County’s jurisdiction as described in Table 1, Section 25B-9(a)(2). Sable has existing insurance coverages of \$1.23 billion for offshore property damage, \$1.3 billion for

Table 1 Consistency with Chapter 25B Change of Owner, Guarantor, and Operator for the Santa Ynez Unit FDP Permit No. 87-DP-32cz (RV06)	
REQUIREMENT	DISCUSSION
	onshore property damage, and \$401 million dollars in liability insurance. ➤ Chapter 25B does not give the County discretion to increase the amount of guarantees or require assurances for purposes not otherwise already required.
(b) Upon making the findings listed in See. 25B-10.1, the planning commission shall approve the change of operator. The planning commission may impose additional conditions on the permit in order to ensure that any insurance or other financial guarantees that were submitted to and relied on by the planning commission as a basis to make any finding required by this chapter are maintained.	The Planning Commission has the authority to impose additional conditions on the FDP Permit in order to maintain any existing insurance or financial bonds. However, as Staff determined consistency with financial guarantees as described in Table 1, Section 25B-9(a)(2), no additional conditions are recommended.

6.2.2 POPCO Gas Plant

Table 2 Consistency with Chapter 25B Change of Guarantor and Operator for the POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03)	
REQUIREMENT	DISCUSSION
CHANGE OF GUARANTOR	
Sec. 25B-9 Director approval: findings. (e) Change of Guarantor. The Director shall approve an application to modify a permit	Consistent. No current County-required bonds are in place for the POPCO Gas Plant. A discussion of financial guarantees as they

Table 2 Consistency with Chapter 25B Change of Guarantor and Operator for the POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03)	
REQUIREMENT	DISCUSSION
pursuant to Sec.25B-8.1.a.iii for a change of guarantor only if the director makes the following findings: (1) Financial Guarantees. The proposed guarantor has provided all necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance.	relate to the FDP Permit Conditions are described in the bullets below. A discussion of Sable’s financial capabilities to operate the POPCO Gas Plant are described further below in Table 2, Section 25B-10(a)(9) <i>Operator Capability</i>. ➤ FDP Permit Condition Q-2 requires the permittee to be responsible for the proper abandonment of the facility, and that a performance bond or other security device be in place immediately following the permanent shutdown of the facility. A performance bond, or other security device would posted by Sable following permanent shut down of the facilities in accordance with an approved abandonment and restoration plan in effect at that time. Therefore, no current financial guarantee is needed.
CHANGE OF OPERATOR	
Sec. 25B-10 Planning Commission approval: findings. (a) The planning commission shall approve an application for change of operator only if the planning commission makes the following findings: (1) Fees and Exactions. All outstanding fees and exactions due for the facility have been paid.	Consistent. Staff has verified with the P&D Accounting Department that no outstanding payments are due for the facility, or for any related planning and compliance cases.

Table 2 Consistency with Chapter 25B Change of Guarantor and Operator for the POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03)	
REQUIREMENT	DISCUSSION
(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new operator and will remain in full effect following the operator change.	Consistent. The analysis of this finding is discussed in the similar finding listed above in Table 2, Section 25B-9(e)(1).
(3) Acceptance of Permit. The proposed operator has provided a letter from a responsible official representing the proposed operator formally accepting all conditions and requirements of the permit.	Consistent. Sable provided a signed Agreement to Comply with Conditions of Approval of the FDP Permits as part of their application materials (Attachment D). The Agreement outlines Sable’s acceptance of all conditions and requirements of the permit. The Agreement was recorded with the County Clerk-Recorder’s Office in September 2024 as an official record to establish the permanent record of the transaction.
(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the proposed new operator. A safety inspection maintenance and quality assurance plan audit approved by the appropriate county official shall satisfy this requirement.	Consistent. The POPCO Gas Plant is subject to County SSRRC audits through its approved SIMQAP. The SIMQAP covers the SYU and the POPCO Gas Plant. The analysis of this finding is discussed in the similar finding for the SYU, listed in Table 1, Section 25B-9(a)(4).

Table 2 Consistency with Chapter 25B Change of Guarantor and Operator for the POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03)	
REQUIREMENT	DISCUSSION
(5) Compliance with Existing Requirements. As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation, and any county ordinance, or the owner and proposed operator have entered into a written agreement with the director that specifies an enforceable schedule to come into compliance with such requirements.	Consistent. At the date of application completeness, ExxonMobil Corporation was in compliance with all requirements of the FDP Permit. No notice of violations have been issued to any permittee regarding the facility.
(6) Compliance Plans. The current owner and proposed operator have updated, where applicable, any existing, approved safety inspection maintenance and quality assurance program, emergency response plan, fire protection plan, and oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator. The current owner and proposed operator have agreed in writing to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.	Consistent. POPCO and Sable submitted all major Compliance Plans to P&D with updated emergency contact information by July 30, 2024 (the date of application completeness determination), and submitted all other compliance plans by August 14, 2024 (within six months of assuming operations). All POPCO Compliance Plans are integrated with the SYU Compliance Plans. The analysis of this finding and a list of plans is detailed in the similar finding for the SYU, listed in Table 1, Section 25B-10(a)(6).

Table 2 Consistency with Chapter 25B Change of Guarantor and Operator for the POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03)	
REQUIREMENT	DISCUSSION
(7) Transitional Plan. The current owner or operator and proposed operator have submitted a transitional plan that will demonstrate the proposed operator shall receive adequate training, including by means of cross training by the current operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f before assuming control of operations. The plan has been approved by the director. The planning commission may exempt the current owner and proposed operator from this requirement, or portions thereof, for good cause.	Consistent. Sable submitted a comprehensive Transition Plan for the SYU and POPCO Gas Plant as part of their application materials. The analysis of this finding is discussed in the similar finding for the SYU, listed in Table 1, Section 25B-10(a)(7). A publicly-available version of the Transition Plan is included as Attachment E-1.
(8) Emergency Response Plan Drills. The proposed operator has adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.	Consistent. The Emergency Response Plan Drill for the POPCO Gas Plant was integrated into the emergency response drill conducted for the SYU on September 19, 2024. The analysis of this finding is discussed in the similar finding for the SYU, listed in Table 1, Section 25B-10(a)(8).
(9) Operator Capability. The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f. The director shall require relevant records of	Consistent. The skills, training, and resources necessary to operate the POPCO Gas Plant are integrated into the skills, training, and resources necessary to operate the SYU. The analysis of this finding is discussed in the similar finding for the SYU, listed in Table 1, Section 25B-10(a)(9).

Table 2 Consistency with Chapter 25B Change of Guarantor and Operator for the POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03)	
REQUIREMENT	DISCUSSION
compliance, and corrective actions taken subsequent to any major incidents for facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.	
(b) Upon making the findings listed in See. 25B-10.1, the planning commission shall approve the change of operator. The planning commission may impose additional conditions on the permit in order to ensure that any insurance or other financial guarantees that were submitted to and relied on by the planning commission as a basis to make any finding required by this chapter are maintained.	The Planning Commission has the authority to impose additional conditions on the FDP Permit in order to maintain any existing insurance or financial bonds. However, as Staff determined consistency with financial guarantees as described in Table 2, Section 25B-9(b)(2), no additional conditions are recommended.

6.2.3 Las Flores Pipeline

Table 3 Consistency with Chapter 25B Change of Guarantor and Operator for the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)	
REQUIREMENT	DISCUSSION
CHANGE OF GUARANTOR	
Sec. 25B-9 Director approval: findings. (e) Change of Guarantor. The Director shall approve an application to modify a permit pursuant to Sec.25B-8.1.a.iii for a change of guarantor only if the director makes the following findings: (1) Financial Guarantees. The proposed guarantor has provided all necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance.	Consistent. No current County-required bonds are in place for the Las Flores Pipeline System. A discussion of financial guarantees as they relate to the FDP Permit conditions are described in the bullets below. A discussion of Sable’s overall financial capabilities to operate the Las Flores Pipeline System are described further below in Table 3, Section 25B-10(a)(9) <i>Operator Capability</i>. ➤ Previously required bonds under the FDP Permit were limited to conditions relating to habitat restoration. These restoration bonds were put in place at the time of pipeline construction and were previously released back to the former owner/operator. ➤ FDP Permit Condition O-1 requires the permittee to continue to pay property taxes until site restoration is complete, but does not require a financial bond to be in place. Sable currently has \$112.1 million dollars in cash and cash equivalents, which is sufficient to cover the continued payment of property taxes for the proper abandonment of the pipelines. ➤ Neither the FDP Permit, Chapter 25B, or other County ordinance requires the permittee to carry insurance or surety bonds

Table 3 Consistency with Chapter 25B Change of Guarantor and Operator for the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)	
REQUIREMENT	DISCUSSION
	to cover oil spills or other damages for the pipeline system. ➤ Though not required for the County's Change of Guarantor, to support demonstration of other financial guarantees Sable/PPC submitted COFRs for the Las Flores Pipeline segments CA-324 and CA-325 (Certificate Nos. 2-2624-00-001 and 4-2624-00-001). The Las Flores Pipeline COFRs are included as Attachment H.
CHANGE OF OPERATOR	
Sec. 25B-10 Planning Commission approval: findings. (a) The planning commission shall approve an application for change of operator only if the planning commission makes the following findings: (1) Fees and Exactions. All outstanding fees and exactions due for the facility have been paid.	Consistent. Staff has verified with the P&D Accounting Department that no outstanding payments are due for the pipeline system, or for any related planning and compliance cases.
(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new operator and will remain in full effect following the operator change.	Consistent. The analysis of this finding is discussed in the similar finding listed above in Table 3, Section 25B-9(e)(1).

Table 3 Consistency with Chapter 25B Change of Guarantor and Operator for the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)	
REQUIREMENT	DISCUSSION
(3) Acceptance of Permit. The proposed operator has provided a letter from a responsible official representing the proposed operator formally accepting all conditions and requirements of the permit.	Consistent. Sable provided a signed Agreement to Comply with Conditions of Approval of the FDP Permit as part of their application materials. The Agreement outlines Sable’s acceptance of all conditions and requirements of the permit. The Agreement was recorded by County Clerk-Recorder’s Office on September 13, 2024 as an official record. A copy of the Agreement is included in Attachment D.
(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the proposed new operator. A safety inspection maintenance and quality assurance plan audit approved by the appropriate county official shall satisfy this requirement.	Consistent. ➤ Due to the 1988 Settlement Agreement between the County and Celeron/All American, there is no County-conducted audit available for the Las Flores Pipeline System. The Settlement Agreement determined that the County does not have the jurisdiction to regulate any aspect of the design, construction, or operation of the pipeline that is already covered under the Code of Federal Regulations (CFR) Title 49 Part 195 <i>Transportation of Hazardous Liquids by Pipeline</i>. This precludes the County from overseeing pipeline activities such as inspection and repairs, SIMQAP audits through the County’s SSRRC, certain design and operation modifications, and other activities already covered under Title 49 Part 195. The Settlement Agreement runs with the pipeline and any subsequent owner/operators of the system.

Table 3				
Consistency with Chapter 25B				
Change of Guarantor and Operator for the Las Flores Pipeline System				
FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)				
REQUIREMENT			DISCUSSION	
			➤ Title 49 §§ 195.450 and §§ 195.452 require that pipeline operators implement both internal (operator-conducted) and external (agency-conducted) audits. Therefore, because PHMSA and now OSFM conduct audits of the pipeline system, it is not subject to County-conducted audits.	
			➤ PPC has satisfied the County’s requirement to provide audit information to Sable. In their application documents, Sable provided certain details of previous PHMSA and OSFM audits from October 2018 – July 2023 (Attachment D). A summary table of the audits conducted is provided below. Information indicates that there are no preliminary findings or concerns.	
Table 3.1 Las Flores Pipeline System Audits				
Agency	Date	Audit #	Audit Type	Status
OSFM	6/19/23 – 7/7/23	-	HQ OME and PAPEE Inspection	No unsatisfactory results/No preliminary concerns
OSFM	4/17/23 – 4/19/23	-	Standard Annual Pipeline Inspection	No unsatisfactory results/No preliminary concerns
OSFM	3/4/23 - 4/14/23	-	Field inspection	No unsatisfactory results/No preliminary concerns
OSFM	11/17/22	-	Annual records/field inspection	No unsatisfactory results/No preliminary concerns
OSFM	7/12/21	2021-64	Annual records/field inspection	Closed
PMSA	6/16/21	2021-58	Document inspection	Closed
OSFM	1/19/21	2021-3	Field inspection	Closed
OSFM	6/22/20	2020-72	Annual records/field inspection	Closed
OSFM	10/20/19	2019-118	Annual records/field inspection	Closed
OSFM	10/15/18	2018-98	Standards inspection	Closed

Table 3 Consistency with Chapter 25B Change of Guarantor and Operator for the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)	
REQUIREMENT	DISCUSSION
(5) Compliance with Existing Requirements. As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation, and any county ordinance, or the owner and proposed operator have entered into a written agreement with the director that specifies an enforceable schedule to come into compliance with such requirements.	Consistent. At the date of application completeness, EMPCo and PPC were in compliance with all requirements of the FDP Permit. No notice of violations have been issued to any permittee regarding the pipeline system.
(6) Compliance Plans. The current owner and proposed operator have updated, where applicable, any existing, approved safety inspection maintenance and quality assurance program, emergency response plan, fire protection plan, and oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator. The current owner and proposed operator have agreed in writing to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.	Consistent. ➤ PPC and Sable submitted all major Compliance Plans with updated emergency contact information by July 30, 2024 (the date of application completeness determination), and submitted all other compliance plans by August 14, 2024 (within six months of assuming operations). Plans are listed in Table 3.2 below. All plans were reviewed for updated information and approved by the P&D planner. ➤ Although not required under Chapter 25B, plans were also reviewed for technical accuracy by the SSRRC, OEM, and EMC's petroleum engineering consultant where appropriate. Some plans also require formal approval from other regulatory agencies

Table 3																							
Consistency with Chapter 25B																							
Change of Guarantor and Operator for the Las Flores Pipeline System																							
FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)																							
REQUIREMENT	DISCUSSION																						
	outside of the County’s Change of Operator process. ➤ A link to all publicly-available (redacted) Compliance Plans submitted for this application is included as Attachment F. Plans that only relate to the original construction of the pipeline system are considered satisfied and are not included.																						
	<table><tr><th colspan="3">Table 3.2 Las Flores Pipeline System Compliance Plans</th></tr><tr><th>Plan Name</th><th>FDP Condition</th><th>Reviewing Department</th></tr><tr><td>Integrated Contingency Plan</td><td>G-1, P-3, P-5, P-9, P-14</td><td>P&D / OEM / EMC</td></tr><tr><td>Noise Monitoring Plan</td><td>N-1</td><td>P&D</td></tr><tr><td>Pump Station Fire Protection Plan</td><td>P-9</td><td>P&D / OEM / EMC</td></tr><tr><td>SIMQAP</td><td>P-2</td><td>P&D / SSRRC</td></tr><tr><td>Site Security Plan</td><td>P-6</td><td>P&D</td></tr></table>		Table 3.2 Las Flores Pipeline System Compliance Plans			Plan Name	FDP Condition	Reviewing Department	Integrated Contingency Plan	G-1, P-3, P-5, P-9, P-14	P&D / OEM / EMC	Noise Monitoring Plan	N-1	P&D	Pump Station Fire Protection Plan	P-9	P&D / OEM / EMC	SIMQAP	P-2	P&D / SSRRC	Site Security Plan	P-6	P&D
Table 3.2 Las Flores Pipeline System Compliance Plans																							
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Integrated Contingency Plan	G-1, P-3, P-5, P-9, P-14	P&D / OEM / EMC																					
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Pump Station Fire Protection Plan	P-9	P&D / OEM / EMC																					
SIMQAP	P-2	P&D / SSRRC																					
Site Security Plan	P-6	P&D																					
(7) Transitional Plan. The current owner or operator and proposed operator have submitted a transitional plan that will demonstrate the proposed operator shall receive adequate training, including by means of cross training by the current operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f before assuming control of operations. The plan has been approved by the director. The planning commission may exempt the current owner and proposed operator from	Consistent. Sable and PPC submitted a comprehensive Transition Plan for the Las Flores Pipeline System as part of their application materials. The Plan describes the background of the pipeline system, the general approach to the transition (PPC remains the legal Owner of the pipeline with Sable as Operator), details on staffing, and asset-specific training and general training conducted. The plan outlines that there are five full-time employees managing the pipeline operations in addition to contracted field personnel. Though the Operations Middle Management Team is																						

Table 3 Consistency with Chapter 25B Change of Guarantor and Operator for the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)	
REQUIREMENT	DISCUSSION
this requirement, or portions thereof, for good cause.	new (e.g. not former Plains employees), each leadership role, including the Director of Pipeline Operations, the Marketing and Scheduling Manager, the Pipeline Operations Manager, and the Facilities, ROW & Projects Manager have extensive experience in upstream and midstream pipeline operations for both onshore and offshore pipelines with reputable companies such as Phillips 66. The average years' experience of the pipeline operating team is 23 years. These combined years of similar experience demonstrate the ability to continue operations with limited staffing and training disruptions, and with a qualified new team not previously responsible for operations when the 2015 Refugio Incident occurred. The plan was reviewed and approved by P&D as part of the application completeness determination process. A publicly-available (redacted) version of the Transition Plan is included as Attachment E-2.
(8) Emergency Response Plan Drills. The proposed operator has adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.	Consistent. PPC and Sable submitted an updated Incident Contingency Plan (ICP) as part of their application materials. The ICP combines the previously separate Emergency Response, Fire Protection, and Oil Spill Contingency Plans (see Table 3.2 and Attachment F). Sable held a comprehensive ICP training exercise and emergency response drill on July 25, 2024. P&D Staff confirmed with OEM Captain, Mr. Tim

Table 3 Consistency with Chapter 25B Change of Guarantor and Operator for the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)	
REQUIREMENT	DISCUSSION
	Gailey, that the 2024 emergency response drill was completed in accordance with County requirements, and that no outstanding issues were identified.
(9) Operator Capability. The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f. The director shall require relevant records of compliance, and corrective actions taken subsequent to any major incidents for facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.	Consistent. Sable’s technical capabilities are described in the discussion for the Transition Plan finding in Table 3, Section 25B-10(a)(7) above. Sable’s safety and compliance records and overall financial capabilities are described in the similar finding for the Las Flores Canyon Facilities in Table 1, Sec. 25B-10(a)(9).
(b) Upon making the findings listed in Sec. 25B-10.1, the planning commission shall approve the change of operator. The planning commission may impose additional conditions on the permit in order to ensure that any insurance or other	The Planning Commission has the authority to impose additional conditions on the FDP Permit in order to maintain any existing insurance or financial bonds. However, as Staff determined consistency with financial guarantees as

Table 3 Consistency with Chapter 25B Change of Guarantor and Operator for the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)	
REQUIREMENT	DISCUSSION
financial guarantees that were submitted to and relied on by the planning commission as a basis to make any finding required by this chapter are maintained.	described in Table 3, Section 25B-9(b)(2), no additional conditions are recommended.

6.3 Conditions of Approval

Conditions of Approval for each FPD Permit are included as Attachments B1 – B3. In accordance with Sec. 25B-7, conditions were revised to remove and replace the former permittee with Sable where appropriate. The term “permittee” was used for conditions that have already been satisfied (such as those relating to the construction of the facilities and pipelines) in order to maintain the complete record of the permits.

7.0 APPEALS PROCEDURE

The action of the Planning Commission may be appealed to the Board of Supervisors within 10 calendar days of said action. For Energy Division projects, no appeal fee is required.

ATTACHMENTS

- A. Findings
- B. Conditions of Approval
 - B-1. SYU FDP Permit No. 87-DP-32cz (RV06)
 - B-2. POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03)
 - B-3. Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)
- C. CEQA Notice of Exemption
- D. 25B Permit Amendment Applications
 - D-1. SYU
 - D-2. POPCO
 - D-3. Las Flores Pipeline System

- E. Transition Plans
 - E-1. SYU/POPCO
 - E-2. Las Flores Pipeline System
- F. Compliance Plans
 - F-1. Las Flores Pipelines Integrated Contingency Plan
 - F-2. Las Flores Pipelines Noise Monitoring and Control Plan
 - F-3. Las Flores Pipelines Pump Station Fire Protection Plan
 - F-4. Las Flores Pipelines SIMQAP
 - F-5. Las Flores Pipelines Site Security Plan
 - F-6. Santa Barbara Harbor Use Plan
 - F-7. SYU/POPCO Emergency Response Plan
 - F-8. SYU/POPCO Fire Protection Plan
 - F-9. SYU/POPCO Groundwater Management Plan
 - F-10. SYU/POPCO Integrated Noise Monitoring Plan
 - F-11. SYU/POPCO NGL Inventory Management Plan
 - F-12. SYU/POPCO Preservation Plan
 - F-13. SYU/POPCO Security Control Plan
 - F-14. SYU/POPCO SIMQAP
 - F-15. SYU/POPCO Transportation Risk Management and Prevention Program (TRMPP)
- G. Certificates of Insurance
- H. Certificates of Financial Responsibility

ATTACHMENT A - FINDINGS

ATTACHMENT A: FINDINGS OF APPROVAL

1.0 CEQA FINDINGS

1.1 CEQA EXEMPTION

The Planning Commission finds that the Change of Owner, Operator, and/or Guarantor for the Santa Ynez Unit (SYU), Pacific Offshore Pipeline Company (POPCO) Gas Plant, and Las Flores Pipeline System Final Development Plan (FDP) Permits are not subject to the requirements of the California Environmental Quality Act (CEQA), as they do not constitute a “project”, as defined by CEQA Guidelines Section 15378(b)(5). Please see Attachment C, Notice of Exemption.

2.0 ADMINISTRATIVE FINDINGS

The Staff Report dated October 22, 2024 for the Change of Owner, Change of Guarantor, and Change of Operator for the SYU FDP Permit No. 87-DP-32cz (RV06), the Change of Guarantor and Change of Operator for the POPCO Gas Plant FDP Permit No. 93-FDP-015 (AM03), and the Change of Guarantor and Change of Operator for the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01), 88-CP-60 (RV01) (88-DPF-25cz; 85-DP-66cz; 83-DP-25cz) is incorporated by reference herein.

2.1 CHANGE OF OWNER, OPERATOR, AND GUARANTOR FOR THE SYU FDP PERMIT NO. 87-DP-32cz (RV06)

2.1.1 Findings required for Change of Owner

In compliance with Section 25B-9(a) of the County Code, prior to the approval of an application for a change of owner, the director shall make the following findings:

(1) Fees and Exactions. All outstanding county required fees and exactions due for the facility have been paid.

The requirements of this finding are satisfied. Planning and Development has verified with Accounting staff that no outstanding payments are due for the facility, or related planning and compliance cases.

(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new owner(s) and will remain in full effect following the ownership change.

The requirements of this finding are satisfied. Previously required bonds and endowments under the FDP Permit have been satisfied and none remain outstanding. The FDP Permit Condition No. XXX-1 requires the permittee to be responsible for the proper abandonment of the facility, and that a performance bond be in place, or that the permittee continue to pay property taxes until abandonment is complete. As no bond is in place, the permittee will continue to pay property taxes until site restoration is complete.

(3) Acceptance of Permit. The proposed owner has provided a letter from a responsible official representing the proposed owner formally accepting all, conditions and requirements of the permit.

The requirements of this finding are satisfied. Sable provided a signed Agreement to Comply with Conditions of Approval dated March 14, 2024 accepting all conditions and requirements of the permit. The Agreement was recorded by the County Clerk-Recorder's office on September 13, 2024 as an official record. The Agreement is provided in Attachment D of the Planning Commission Staff Report dated October 22, 2024, and is included herein by reference.

(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the new or proposed new owner(s). A safety inspection maintenance and quality assurance program (SIMQAP) audit approved by the appropriate county official shall satisfy this requirement.

The requirements of this finding are satisfied. The most recent County-conducted safety audit of the Las Flores Canyon Facilities (SYU and POPCO Gas Plant) was conducted on July 16 -17, 2014 by the County's Systems Safety & Reliability Review Committee (SSRRC). The 2014 audit observed 62 items that needed to be addressed from minor housekeeping items, to items that would cause a low potential for serious personal injury, negative environmental impact, property damage, or hazardous material release. All items were addressed by September 11, 2015, except for minor repairs required on an evaporative cooler and a crude oil emulsion heater. Following the 2014 SIMQAP audit, the Las Flores Canyon Facilities were placed into a preserved state due to the 2015 Plains pipeline oil spill, which is the only permitted transportation method to transport crude oil from the SYU. On July 9, 2015, the SSRRC approved the deferral of annual SIMQAP audits until the Las Flores Canyon Facilities resume production. Sable has a copy of the 2014 audit and its recommendations, and continues to provide maintenance reports on the Las Flores Canyon Facilities to the SSRRC monthly.

(5) Compliance With Existing Requirements. As of the date that the application is deemed complete, the current owner(s) are in compliance with all requirements of the permit, including any requirement of a county-required safety audit, any notice of violation, and any county ordinance, or the current and proposed owner(s) have entered into a written agreement with the Director that specifies an enforceable schedule to come into compliance with such requirements.

The requirements of this finding are satisfied. The permittee is in compliance with all requirements of the FDP Permit. No notice of violations have been issued for the facility.

2.1.2 Findings required for Change of Guarantor

In compliance with Section 25B-9(e) of the County Code, prior to the approval of an application for a change of guarantor, the director shall make the following findings:

(1) Financial Guarantees. The proposed guarantor has provided all necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance.

Sable is the Guarantor for the Las Flores Canyon Facilities. The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (2).

2.1.3 Findings required for Change of Operator

In compliance with Section 25B-10 of the County Code, the planning commission shall approve an application for change of operator only if the planning commission makes the following findings.

(1) Fees and Exactions. All outstanding county required fees and exactions due for the facility have been paid.

Sable is the Operator of the Las Flores Canyon Facilities. The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (1).

(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new operator and will remain in full effect following the operator change.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (2).

(3) Acceptance of Permit. The proposed operator has provided a letter from a responsible official representing the proposed operator formally accepting all conditions and requirements of the permit.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (3).

(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the proposed new operator. A safety inspection maintenance and quality assurance plan audit approved by the appropriate county official shall satisfy this requirement.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (4).

(5) Compliance with Existing Requirements. As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation, and any county ordinance, or the owner and proposed operator have entered into a written agreement with the director that specifies an enforceable schedule to come into compliance with such requirements.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Owner in Finding 2.1.1 (5).

(6) Compliance Plans. The current owner and proposed operator have updated, where applicable, any existing, approved safety inspection maintenance and quality assurance program, emergency response plan, fire protection plan, and oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator. The current owner and proposed operator have agreed in writing to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.

The requirements of this finding are satisfied. County staff confirmed that all relevant compliance plans have been updated with the current emergency contact information

pertaining to Sable. Compliance Plans are included as Attachment F to the Planning Commission Staff Report dated October 22, 2024 and are incorporated by reference herein.

(7) Transitional Plan. The current owner or operator and proposed operator have submitted a transitional plan that will demonstrate the proposed operator shall receive adequate training, including by means of cross training by the current operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f before assuming control of operations. The plan has been approved by the director. The planning commission may exempt the current owner and proposed operator from this requirement, or portions thereof, for good cause.

The requirements of this finding are satisfied. Sable submitted a comprehensive Transition Plan describing the general strategy taken for the transition from ExxonMobil Corporation to Sable, a description of the facilities and general operating procedures, details on the staffing and support employees, and asset-specific training and general training conducted. The Transition Plan is included as Attachment E-1 to the Planning Commission Staff Report dated October 22, 2024 and is incorporated by reference herein.

(8) Emergency Response Plan Drills. The proposed operator has adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.

The requirements of this finding are satisfied. Sable submitted an updated Emergency Response Plan and staffing details for their Incident Management Team who run the response drills. Sable held a comprehensive emergency response drill on September 19, 2024 in coordination with the County Fire Department's Office of Emergency Services and other regulatory agencies. Planning and Development confirmed with the County Fire Department in attendance that the emergency response drill was completed in accordance with County requirements, and that no outstanding issues were identified.

(9) Operator Capability. The proposed operator has the skills and training necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f. The director shall require relevant records of compliance, and corrective actions taken subsequent to any major incidents for facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant

or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.

The requirements of this finding are satisfied. Sable was formed in October 2020 as an independent oil and gas company headquartered in Houston Texas as a special purpose acquisition company. Sable's Executive Management Team have managed oil and gas exploration and production businesses in the Pacific Ocean, the Gulf of Mexico, and onshore California for more than 30 years. Specific to Santa Barbara County, the Executive Management Team has successfully operated Platform Irene and the associated Lompoc Oil & Gas Plant and Point Pedernales Pipelines, and Platforms Harvest, Hidalgo, Hermosa and the associated Gaviota Oil & Gas Plant and Point Arguello Pipelines under former management of Plains Exploration and Production Company (PXP) and Freeport-McMoRan, Inc (FMOG). Sable's Upper Management Team have carried over from similar leadership roles at PXP and FMOG, with an average of 31 years of experience operating oil and gas facilities within the County. Sable's Onsite Middle Management Team have all transferred over from similar roles at the Las Flores Canyon Facilities under Exxon, with an average of 21 years of experience working at the facilities. Approximately 64 percent of the onsite facility employees have also transferred over in their same or similar capacity from Exxon. All employees and management have been trained on the facility-specific Compliance Plans. Sable has had zero major incidents involving crude oil and gas facilities within the U.S. while managing Sable Permian Resources from 2017 – 2021, FMOG from 2013 – 2017, and PXP from 2009 – 2013.

2.2 CHANGE OF OPERATOR AND GUARANTOR FOR THE POPCO GAS PLANT FDP PERMIT NO. 93-FDP-015 (AM03)

2.2.1 Findings required for Change of Guarantor

In compliance with Section 25B-9(e) of the County Code, prior to the approval of an application for a change of guarantor, the director shall make the following findings:

(1) Financial Guarantees. The proposed guarantor has provided all necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance.

The requirements of this finding are satisfied. No bonds are in place for the POPCO Gas Plant. FDP Permit Condition Q-2 requires the permittee to be responsible for the proper abandonment of the facility, and that a performance bond or other security device be in place immediately following the permanent shutdown of the facility. A performance bond, or other security device shall be posted by POPCO following permanent shut

down of the facilities in accordance with an approved abandonment and restoration plan in effect at that time.

2.2.2 Findings required for Change of Operator

In compliance with Section 25B-10 of the County Code, the planning commission shall approve an application for change of operator only if the planning commission makes the following findings.

(1) Fees and Exactions. All outstanding county required fees and exactions due for the facility have been paid.

The requirements of this finding are satisfied. Planning and Development has verified with Accounting staff that no outstanding payments are due for the facility, or related planning and compliance cases.

(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new operator and will remain in full effect following the operator change.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Guarantor in Finding 2.2.1 (1).

(3) Acceptance of Permit. The proposed operator has provided a letter from a responsible official representing the proposed operator formally accepting all conditions and requirements of the permit.

The requirements of this finding are satisfied. Sable provided a signed Agreement to Comply with Conditions of Approval dated March 14, 2024 accepting all conditions and requirements of the permit. The Agreement was recorded by the County Clerk-Recorder's office on September 13, 2024 as an official record. The Agreement is provided in Attachment D of the Planning Commission Staff Report dated October 22, 2024, and is included herein by reference.

(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the proposed new operator. A safety inspection maintenance and quality assurance plan audit approved by the appropriate county official shall satisfy this requirement.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Owner in Finding 2.1.1 (4). The POPCO Gas Plant is subject to County SSRRC audits through its approved SIMQAP. The SIMQAP covers the SYU and the POPCO Gas Plant.

(5) Compliance with Existing Requirements. As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation, and any county ordinance, or the owner and proposed operator have entered into a written agreement with the director that specifies an enforceable schedule to come into compliance with such requirements.

The requirements of this finding are satisfied. The current operator is in compliance with all requirements of the FDP Permit. No notice of violations have been issued for the facility.

(6) Compliance Plans. The current owner and proposed operator have updated, where applicable, any existing, approved safety inspection maintenance and quality assurance program, emergency response plan, fire protection plan, and oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator. The current owner and proposed operator have agreed in writing to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Operator in Finding 2.1.3 (6). All POPCO Compliance Plans are integrated with the SYU Compliance Plans.

(7) Transitional Plan. The current owner or operator and proposed operator have submitted a transitional plan that will demonstrate the proposed operator shall receive adequate training, including by means of cross training by the current operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f before assuming control of operations. The plan has been approved by the director. The planning commission may exempt the current owner and proposed operator from this requirement, or portions thereof, for good cause.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Operator in Finding 2.1.3 (7). The Transition Plan for the SYU also incorporates the POPCO Gas Plant.

(8) Emergency Response Plan Drills. The proposed operator has adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Operator in Finding 2.1.3 (8). The Emergency Response Plan drill for the POPCO Gas Plant is incorporated into the emergency drill for the SYU.

(9) Operator Capability. The proposed operator has the skills and training necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f. The director shall require relevant records of compliance, and corrective actions taken subsequent to any major incidents for facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.

The requirements of this finding are satisfied as discussed under the similar finding for the SYU Change of Operator in Finding 2.1.3 (9). Operator capabilities for the POPCO Gas Plant are the same as for the SYU.

2.3 CHANGE OF OPERATOR AND GUARANTOR FOR THE LAS FLORES PIPELINE SYSTEM FDP PERMIT NO. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz)

2.3.1 Findings required for Change of Guarantor

In compliance with Section 25B-9(e) of the County Code, prior to the approval of an application for a change of guarantor, the director shall make the following findings:

(1) Financial Guarantees. The proposed guarantor has provided all necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance.

The requirements of this finding are satisfied. Previously required bonds and endowments under the FDP Permit have been satisfied and none remain outstanding. The FDP Permit does not require the permittee to carry insurance or other financial responsibility (e.g. surety bond) to cover oil spills or other damages, or for the final abandonment of the pipelines. After final abandonment, the permittee will continue to

pay property taxes until site restoration is complete in accordance with FDP Permit Condition O-1.

2.3.2 Findings required for Change of Operator

In compliance with Section 25B-10 of the County Code, the planning commission shall approve an application for change of operator only if the planning commission makes the following findings.

(1) Fees and Exactions. All outstanding county required fees and exactions due for the facility have been paid.

The requirements of this finding are satisfied. Planning and Development has verified with Accounting staff that no outstanding payments are due for the pipeline system, or related planning and compliance cases.

(2) Financial Guarantees. All necessary insurance, bonds or other instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new operator and will remain in full effect following the operator change.

The requirements of this finding are satisfied, as discussed under the similar finding for Change of Guarantor in Finding 2.3.1 (1).

(3) Acceptance of Permit. The proposed operator has provided a letter from a responsible official representing the proposed operator formally accepting all conditions and requirements of the permit.

The requirements of this finding are satisfied. Sable provided a signed Agreement to Comply with Conditions of Approval dated March 14, 2024 accepting all conditions and requirements of the permit. The Agreement was recorded by the County Clerk-Recorder's office on September 13, 2024 as an official record. The Agreement is provided in Attachment D of the Planning Commission Staff Report dated October 22, 2024, and is included herein by reference.

(4) Facility Safety Audit. The current owner or operator has provided a copy of the most recent county-conducted comprehensive safety audit of the physical facility, along with a description of the status of implementing its recommendations, to the proposed new operator. A safety inspection maintenance and quality assurance plan audit approved by the appropriate county official shall satisfy this requirement.

The requirements of this finding are satisfied. The 1988 settlement agreement between the County and Celeron Pipeline Company/Getty Trading and Transportation Company determined that the County does not have the jurisdiction to regulate any aspect of the design, construction, or operation of the pipeline which was already covered under 49 C.F.R. Part 195 (*Transportation of Hazardous Liquids by Pipeline*). The settlement agreement determined that this authority rests exclusively with PHMSA and now, the CAL FIRE Office of the State Fire Marshal (OSFM). Title 49 §§ 195.450 and §§ 195.452 require that pipeline operators implement both internal (operator-conducted) and external (agency-conducted) audits. As PHMSA and now OSFM conduct audits of the pipeline system, it is not subject to County-conducted safety audits. Consequently, there is no County-conducted audit available. PPC has satisfied the County's requirement to provide audit information to Sable. A summary of PHMSA and OSFM safety audits from 2018 – 2023 are presented in section 6.2.3, Table 3.1 of the Planning Commission Staff Report dated October 22, 2024, included by reference herein.

(5) Compliance with Existing Requirements. As of the date that the application is deemed complete, the current operator is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation, and any county ordinance, or the owner and proposed operator have entered into a written agreement with the director that specifies an enforceable schedule to come into compliance with such requirements.

The requirements of this finding are satisfied. The current operator is in compliance with all requirements of the FDP Permit. No notice of violations have been issued for the pipeline system.

(6) Compliance Plans. The current owner and proposed operator have updated, where applicable, any existing, approved safety inspection maintenance and quality assurance program, emergency response plan, fire protection plan, and oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator. The current owner and proposed operator have agreed in writing to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.

The requirements of this finding are satisfied. County staff confirmed that all relevant compliance plans have been updated with the current emergency contact information pertaining to PPC and Sable. Compliance Plans are included as Attachment F to the Planning Commission Staff Report dated October 1, 2024 and are incorporated by reference herein.

(7) Transitional Plan. The current owner or operator and proposed operator have submitted a transitional plan that will demonstrate the proposed operator shall receive adequate training, including by means of cross training by the current operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f before assuming control of operations. The plan has been approved by the director. The planning commission may exempt the current owner and proposed operator from this requirement, or portions thereof, for good cause.

The requirements of this finding are satisfied. Sable submitted a comprehensive Transition Plan describing the background of the pipeline system, the general approach to the transition (PPC remains the legal owner of the pipeline with Sable as operator), details on staffing, and asset-specific training and general training conducted. The Transitional Plan is included as Attachment E-2 to the Planning Commission Staff Report dated October 22, 2024 and is incorporated by reference herein.

(8) Emergency Response Plan Drills. The proposed operator has adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.

The requirements of this finding are satisfied. PPC and Sable submitted an updated Incident Contingency Plan (ICP) as part of their application materials. The ICP combines the previously separate Emergency Response, Fire Protection, and Oil Spill Contingency Plans. Sable held a comprehensive ICP training exercise and emergency response drill on July 25, 2024. P&D confirmed with OEM Captain, Mr. Tim Gailey, that the 2024 emergency response drill was completed in accordance with County requirements, and that no outstanding issues were identified.

(9) Operator Capability. The proposed operator has the skills and training necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has a good working knowledge of the crucial compliance plans listed in Sec. 25B-10.1.f. The director shall require relevant records of compliance, and corrective actions taken subsequent to any major incidents for facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.

The requirements of this finding are satisfied. Sable was formed in October 2020 as an independent oil and gas company headquartered in Houston Texas as a special purpose acquisition company. Sable's Executive Management Team have managed oil and gas

exploration and production businesses in the Pacific Ocean, the Gulf of Mexico, and onshore California for more than 30 years. Specific to Santa Barbara County, the Executive Management Team has successfully operated Platform Irene and the associated Lompoc Oil & Gas Plant and Point Pedernales Pipelines, and Platforms Harvest, Hidalgo, Hermosa and the associated Gaviota Oil & Gas Plant and Point Arguello Pipelines under former management of PXP and FMOG. The Las Flores Pipeline System has five full-time employees in addition to contracted personnel and specialists who have extensive experience with both onshore and offshore pipelines. The combined years of experience of the pipeline operating team is 23 years, with many years of experience directly operating in Santa Barbara County. All management staff and employees have been trained on the facility-specific Compliance Plans. Sable has had zero major incidents involving crude oil and gas pipelines within the U.S. while managing Sable Permian Resources from 2017 – 2021, FMOG from 2013 – 2017, and PXP from 2009 – 2013.

ATTACHMENT B-1
CONDITIONS OF APPROVAL
SYU FDP PERMIT NO. 87-DP-32cz (RV06)

CONDITIONS OF APPROVAL

~~ExxonMobil~~ Santa Ynez Unit Expansion Project 87-DP-32cz

(Modified on July 25, 2001 with 87-DP-032cz (RV05) Synergy Project)
(Modified on February 19, 2003 with 87-DP-032cz (RV06) Offshore Power Cable Repair &
Enhancement Project)
(Modified on October 30, 2024 with the Change of Owner, Operator, and Guarantor to Sable
Offshore Corp)

These conditions of approval have been revised to list the new owner, guarantor, and operator, and remove all previous owners, guarantors, and operators that no longer serve such role. Text that has been added is shown in underline, and text that has been removed is shown in ~~strikeout~~.

ExxonMobil Santa Ynez Unit
Expansion Project
87-DP-32cz

Santa Barbara County
Conditions of Approval
September 15, 1987

(Modified on July 25, 2001; Synergy Project)

(Modified on February 19, 2003; Offshore Power Cable Repair and Enhancement Project)

(Modified on October 30, 2024 with the Change of Owner, Operator, and Guarantor to Sable
Offshore Corp)

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**~~ExxonMobil~~ Santa Ynez Unit
Expansion Project
87-DP-32cz
Santa Barbara County Conditions of Approval
September 15, 1987
(Modified on July 25, 2001, ~~and February 19, 2003,~~ and October 30, 2024)**

I. GENERAL

Owner: Sable Offshore Company (Sable), a Delaware corporation, is the currently listed Owner of the Santa Ynez Unit.

Operator: Sable is the currently listed Operator of the facility.

Guarantor: Sable is the currently listed Guarantor for the facility.

I-1. DELETED

I-2. Grounds for Permit Modification or Revocation

Failure to abide by and faithfully comply with any conditions for the granting of this permit shall constitute grounds for the modification or revocation of this permit.

Approval of the Final Development Plan and any subsequent revisions shall expire five (5) years after approval by the Santa Barbara County Planning Commission, unless prior to the expiration date, substantial physical construction has been completed on the development or ~~ExxonMobil~~ the permittee (or successor) has applied for time extension. The decisionmaker with jurisdiction over the project may, upon good cause shown, grant a time extension for one year.

If ~~ExxonMobil~~ the permittee requests a time extension for this permit/project or revisions to this permit/project, this permit may be revised to include updated language to standard conditions and/or mitigation measures and additional conditions and/or mitigation measures which reflect changed circumstances or additional identified project impacts. Mitigation fees shall be those in effect at the time of approval of a LUP/CDP. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

I-3. Permit Defense and Court Costs

~~ExxonMobil~~ Sable agrees as a condition of the issuance and use of this permit to defend at its sole expense any action brought against the County because of issuance of this permit. ~~ExxonMobil~~ Sable will reimburse the County for any court costs and attorney's fees which the County may be required by a court to pay as a result of such action. County may, at its sole discretion, participate in the defense of any such action, but such participation shall not relieve ~~ExxonMobil~~ Sable of its obligation under this condition. County shall bear its own expenses for its participation in the action.

I-4. Costs of Implementing and Enforcing Conditions

The Director of the Planning and Development Department shall present to the Board of Supervisors a monitoring and enforcement plan which shall set forth the staffing requirements and materials reasonably necessary for such enforcement. ~~ExxonMobil~~ The permittee shall pay a pro-rata share of the costs necessary to allow the County to adequately develop the program, and to implement and enforce the conditions imposed on ~~ExxonMobil~~ the permittee by applicable County ordinances and the conditions of this permit. The timing and nature of the payments will be determined as part of program development.

~~ExxonMobil~~ The permittee shall also post a security agreement in a form approved by County Counsel to secure the obligations created pursuant to this condition and also to secure payment of any amounts adjudged to be due pursuant to any enforcement action. Should legal action be required to enforce any rights under this permit the prevailing party shall be entitled to reasonable attorney's fees and costs pursuant to Civil Code 1717.

I-5. ~~ExxonMobil~~ Reimbursement to County

All reasonable expenses incurred by the County or County contractors for permitting, permit condition implementation, reasonable studies, and emergency response directly and necessarily related to enforcement of these permit conditions shall be reimbursed by ~~ExxonMobil~~ Sable within 30 days of invoicing by County. All such activities may be conducted by an independent consultant under contract to the County, if deemed necessary by County.

For those studies which entail major ongoing efforts by a County-hired consultant, County shall provide for ~~ExxonMobil's~~ Sable's involvement in contractor selection, scope of work definition, and other such areas. The County shall consult with ~~ExxonMobil~~ Sable prior to authorization of major contractor activity which is reimbursable by ~~ExxonMobil~~ Sable.

I-6. Access to Records and Facilities

As to any condition which requires for its effective enforcement the inspection of records or facilities by County or its agents, ~~ExxonMobil-Sable~~ will make such records available or provide access to such facilities upon reasonable notice from County. County agrees to keep such information confidential where permitted by law and requested by ~~ExxonMobil~~ Sable in writing.

I-7. Uses of Permitted Facility

All facilities constructed and operated under this permit shall be used only for the storage of 540 KB oil and the processing of a maximum of 140 KBD oil and 21 MMSCFD gas for the stripping gas treating plant produced from the Santa Ynez Unit. Marine terminal facilities are permitted herein to transport a maximum of 140 KBD quarterly average oil. The use of the

property and the size, shape, arrangement and location of buildings, structures, walkways, parking areas and landscaped areas shall be in substantial conformity with the Santa Ynez Unit Final Development Plan. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

I-8. Memorandum of Agreement (MOA II) Conditions

The agreements made in the Memorandum of Agreement (MOA II) entered into between ExxonMobil and its successors and County on October 8, 1982 are incorporated into this permit as conditions with the same force and effect as other permit conditions contained herein. Both parties acknowledge and agree that as of the date of this permit approval the MOA II is in and remains in full force and effect. If any conditions contained herein are in conflict with provisions of MOA II, the conditions contained in this permit shall prevail.

I-9. Project Description and Modifications

~~ExxonMobil's~~ Revised Preliminary Development Plan (86-DP-51cz) and Final Development Plan (87-DP-32cz) applications, including all subsequent clarifications and additions formally submitted, and all permit condition compliance plans, including all subsequent clarifications and additions formally submitted in compliance with those conditions, are incorporated by reference into this permit as conditions with the same force and effect as other permit conditions contained herein. No permits for development, including grading, shall be issued except in conformance with an approved Final Development Plan. The project shall be developed in conformity with the approved development. Since these procedures were part of the project description which received environmental analysis, a failure to include such procedures in the actual project could result in significant unanticipated environmental impacts. Modification of any procedures, operating techniques, design specifications and other project descriptions contained in these documents will not be permitted without a determination of substantial conformance with the approved preliminary or final development plan or, in lieu of such a determination, a new or modified permit. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)* (Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)

I-10. Authority for Curtailment

In addition to the authority to enforce and secure compliance with the provisions of this permit under Division 11, Article III of Chapter 35 of the Santa Barbara County Code, the County Administrative Officer, or in his/her absence a designated appointee, may order that curtailment of activities which is required to protect the public health and safety. Said action may include, but is not limited to, ordering temporary, partial or total facility shutdown.

Such an order shall be made only in the event that the Administrative Officer has reasonable and probable cause to believe that continued unrestrained activities of permittee will likely result in or threaten to result in danger to public health, welfare, or safety, or the environment

and provided such violations can be expected to continue or recur unless operations are in whole or in part shut down or reduced pending the necessary corrections.

Before issuing any curtailment order, the County Administrative Officer shall set a time for hearing and shall give written notice of the time and place of the hearing and of the alleged violations. Such notice shall be given to the person in charge of the operation of the facility at least 24 hours before the hearing at which time there will be an opportunity for all concerned parties to present evidence regarding the alleged violations. The notice may be served in person or by certified mail.

In the event the Administrative Officer, or in his/her absence, the designated appointee, determines that there is an imminent danger to the public health and safety resulting from violations, he may summarily order the necessary curtailment of activities without prior notice and hearing and such order shall be obeyed upon notice of same, whether written or oral. At the same time that notice of the order is conveyed, the Administrative Officer shall set a date, time and place for a publicly noticed hearing and review of said order as soon as possible which date shall be no later than 48 hours after such order is issued or served. Said hearing shall be conducted in the same manner as a hearing on prior notice. After such hearing, the Administrative Officer may modify, revoke, or retain the emergency curtailment order.

Any order of the Administrative Officer may be appealed to the Board of Supervisors within three working days after such order is made or notice of such order is given, whichever later occurs. Procedures for such appeal shall be those procedures described in Santa Barbara County Zoning Ordinance Article III, Sections 35-327.3.2 through 35-327.4.

If such appeal is not filed with the Board of Supervisors, the Administrative Officer's order becomes final. If there is an appeal, the order of the Administrative Officer shall remain in full force and effect until action is taken by the Board of Supervisors. The decision of the Board of Supervisors shall be final.

Once ~~ExxonMobil~~ Sable has shown that the conditions of violation no longer exist and are not reasonably likely to recur, the Administrative Officer shall modify the curtailment order to account for such compliance and shall entirely dissolve the order when it is shown that all of the violations have been corrected and are not likely to recur.

I-11. Conditions Separately Remain in Force

In the event that any condition contained herein is determined to be invalid, then all remaining conditions shall remain in force.

I-12. Conflicts Between Conditions

In the event that any condition contained herein is determined to be in conflict with any other condition contained herein, then where principles of law do not provide to the contrary, the feasible condition most protective of natural environmental resources and public health and

safety shall prevail. Conflicts which arise prior to approval of the FDP shall be resolved by the Planning Commission. Conflicts which arise prior to construction, or during construction or operations, shall be resolved by the Director of the Planning and Development Department.

I-13. Submittal of As-Built Drawings

Within one year after initial start-up of each project component, ~~ExxonMobil~~ the permittee shall submit as-built drawings of that component to County. ~~ExxonMobil~~ The permittee shall submit as many sets of drawings (up to ten sets) as requested by the Public Works Department. ~~ExxonMobil~~ The permittee shall submit as-built Piping and Instrumentation Diagrams (P&IDs) to the County Planning & Development Department, Building & Safety Division, within 90 days of Synergy Project start-up. (Modified July 25, 2001; 87-DP-032cz(RV05).)

I-14. Owner and Operator Liability

The owner and operator of the facility shall be jointly and severally liable without regard to fault for all legally compensable damages or injuries suffered by any property or person that result from or arise out of any oil, brine or water spillage, fire, explosion, odor, or air pollution, in any way involving petroleum or gas or the impurities contained therein or removed therefrom and which arises out of construction or operation of ~~ExxonMobil's~~ the facilities. This declaration of strict liability and the limitations upon it shall be governed by the applicable laws of California on strict liability. For the purpose of this condition, the "facility" shall be deemed to include all facilities described and approved pursuant to 86-DP-51cz and 85-CP-16cz as amended pursuant to 87-DP-32cz. This condition shall not inure to the benefit of any of the owners or users of the ~~ExxonMobil~~ facility, including the United States Government. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

I-15. Injunctive Relief

The County may seek and obtain temporary, preliminary, and permanent injunctive relief to prohibit violation of the conditions set forth herein or to mandate compliance with the conditions herein.

All remedies and enforcement procedures set forth herein shall be in addition to any other legal or equitable remedies provided by law.

I-16. Failure to Comply

In the event that ~~ExxonMobil~~ Sable fails to comply with any order of the Administrative Officer or the Board of Supervisors issued hereunder or any injunction of the Superior Court, it shall be liable for a civil penalty for each violation.

Said civil penalty shall be in addition to ~~ExxonMobil's~~ Sable's obligation to reimburse the County of Santa Barbara (and others) for actual damages suffered as a result of ~~ExxonMobil's~~ Sable's failure to abide by the conditions of this permit or by the orders of the Administrative Officer, the Board of Supervisors, or any court of competent jurisdiction.

I-17. Permit Violations

Any person, firm or corporation, whether as a principal, agent, employee, or otherwise, violating any provisions or conditions of this ordinance or permits, shall be guilty of an infraction or misdemeanor and upon conviction thereof, shall be punishable as set forth in the applicable County Ordinance.

Each and every day during any portion of which any violation of this Article or the rules, regulations, orders, or permits issued thereunder, is committed, continued, or permitted by such person, firm or corporation shall be deemed a separate and distinct offense.

I-18. Authority to Change Responsible Department

The Santa Barbara County Board of Supervisors shall have the authority to specify or change the Santa Barbara County Department responsible for enforcement and administration of any conditions contained herein.

I-19. Alternative Mitigation if County Cannot Assess Fees

Should circumstances, including legal or legislative action, cause the County to lose its authority or have its authority fundamentally reduced, to assess fees as a method to mitigate project-related impacts, then this permit shall be suspended until other feasible mitigation measures are imposed which will adequately mitigate the significant impacts formerly mitigated by the imposition of fees. However, the County shall not suspend or modify this permit pursuant to this condition so long as ~~ExxonMobil~~ Sable has continued to fulfill its agreements under this permit.

I-20. DELETED

I-21. Written Acceptance of the Final Development Plan

~~ExxonMobil~~ The Permittee shall provide written acceptance of the Final Development Plan permit within 90 days of final County action on this permit. Failure to provide such timely acceptance will allow the County to cancel the permit.

I-22. DELETED

I-23. DELETED "~~ExxonMobil~~" Definition

~~The term "ExxonMobil" shall be understood to apply to ExxonMobil Production Company (a Division of Exxon Mobil Corporation) and any other entity, owner, partner or operator using these permitted facilities unless such a meaning would be inappropriate.~~

I-24. Subsequent Additional Mitigation

The remedies available to the County upon applicant's failure to comply with subsequent additional mitigation required as part of and pursuant to this permit include but are not limited to those remedies which are available to the County upon applicant's failure to comply with a permit condition. In order for such mitigations to be treated with the status of a permit condition, they shall first be considered and approved by the Planning Commission in a noticed public hearing.

II. PERMIT REVIEW

II-1. Construction Review by SSRRC

Prior to construction of a project component (such as site work or individual facility construction), ~~ExxonMobil~~ Sable shall submit to the Director of the Planning and Development Department (P&D) and the System Safety and Reliability Review Committee (SSRRC), as directed by P&D, relevant construction drawings and supporting text demonstrating compliance with relevant conditions. Construction of each component may not commence until County has approved the appropriate submittal and all necessary construction permits are issued. Within 15 days of submittal, the SSRRC will deem the submittal complete or incomplete with a list of deficiencies. Within 15 days of a submittal being deemed complete by the SSRRC, County shall either give written notice to proceed with construction or notify ~~ExxonMobil~~ Sable that the SSRRC review will be completed within a specified period, as warranted by sound engineering practices. *(Modified May 4, 1994; II-2 Review)*

II-2. Condition Effectiveness Review

If at any time County determines that the mitigations imposed by these permit conditions are inadequate to fully mitigate significant environmental impacts identified in the ~~ExxonMobil~~ SYU EIS/R (83-EIR-22) and its supplements, other than air quality impacts, caused by the Santa Ynez Unit project, then additional reasonable and feasible conditions shall be imposed to further mitigate these identified impacts. ~~ExxonMobil~~ Sable agrees that it will comply with such reasonable and feasible conditions, subject to review thereof under all applicable provisions of law. County shall conduct a comprehensive review of the project conditions three years after permit issuance and at appropriate intervals thereafter. Upon written request, the Board of Supervisors shall determine whether any new condition required is reasonable and feasible, considering the economic burdens imposed and environmental benefits to be derived. In no event shall this condition be construed so as to preclude ~~ExxonMobil~~ Sable from vesting rights under this permit as provided under law.

II-3. DELETED

II-4. DELETED

II-5. County Authority to Review and Impose Mitigations From Other Jurisdictions

This permit is premised upon findings that where feasible, all significant environmental effects of the project identified in the ~~ExxonMobil~~ SYU EIS/R (83-EIR-22) and the Getty Gaviota EIR (84-EIR-15) as it applies to the marine terminal portions of this project, including Supplements, will be substantially mitigated by the permit conditions or other findings appropriate under CEQA are made. Prior to approval of the Final Development Plan, County shall review any findings that identified certain mitigation measures as being in the proper jurisdiction of another agency. At that time, County shall determine either: (1) that such mitigation has or is being implemented by such other agency; or, (2) that such other agency and County determine such mitigation to be infeasible. If, prior to Final Development Plan approval, County determines that no other agency is implementing such feasible mitigation measures, then County may impose feasible measures to mitigate those environmental impacts in accordance with the appropriate mitigation measure in the FEIS/R and Supplements. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

II-6. Consolidated Marine Terminal Feasibility Demonstration

Prior to Planning and Development Department final approval of any construction plans associated with the consolidated marine terminal, ~~ExxonMobil~~ the permittee must demonstrate to the Planning Commission either that industry's oil transportation demand for situations set forth in Local Coastal Plan Policy 6-8 and Coastal Zoning Ordinance Section 35-154.5(i) is greater than the capacity of the Gaviota Interim Marine Terminal, or that the impacts associated with the consolidated marine terminal are environmentally preferable to those associated with continued use of the Gaviota Interim Marine Terminal. Upon such reasonable demonstration, the Planning Commission shall not withhold approval of construction plans.

If by July 1, 1988, or later, the permittee ~~ExxonMobil and Celeron/All American Pipeline Company have come to an agreement on a tariff rate and other essential contract terms, and ExxonMobil~~ has, consistent with LCP Policy 6-8 and Coastal Zoning Ordinance Section 35-154.5 (i), committed to using the pipeline pursuant to that agreement for the transportation of SYU crude oil destined for refineries served by that pipeline, the preceding paragraph shall be nullified. Construction of the marine terminal shall not commence prior to July 1, 1988. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

III. MANAGEMENT

III-1. Environmental Quality Assurance Program

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit a written plan approved by the Director of the Planning and Development Department for an Environmental Quality Assurance Program. This initial program shall describe the steps ~~ExxonMobil~~ the permittee will take to assure compliance with these conditions and include provisions for an onsite Environmental Coordinator (and any other necessary personnel) with credentials approved by the Director of the Planning and Development Department during the construction phase, provisions for ensuring contractor knowledge of and compliance with these conditions, and the submission to the Director of the Planning and Development Department of annual reports describing the project status, permit condition compliance, and a summary of results of any data collection efforts being conducted by ~~ExxonMobil~~. The contractor selected to implement the EQAP shall be under contract to the County, and funded by ~~ExxonMobil~~ the permittee. The approved program shall be implemented by ~~ExxonMobil~~ the permittee prior to construction and shall be amended as required and approved by the Director of the Planning and Development Department annually.

III-2. 24-Hour Emergency Contact

Prior to issuance of any Land Use Permits or Coastal Development Permits, ~~ExxonMobil~~ the permittee shall provide to the Director of the Planning and Development Department and the Emergency Services Coordinator the current name and position, title, address, and 24-hour phone numbers of the field agent, person in charge of the facility, and other representatives who shall receive all orders and notices, as well as all communications regarding matters of condition and permit compliance at the site and who shall have authority to implement a facility shutdown pursuant to Condition # I-10 in this permit. There shall always be such a contact person(s) designated by the permittee. One contact person shall be available 24 hours a day during all phases of the project to respond to inquiries received from citizens and the County. If the address or phone number of the applicant's agent should change, or the responsibility be assigned to another person or position, the applicant shall provide to the Director of the Planning and Development Department the new information within seven days.

III-3. ~~ExxonMobil~~ to Provide Copies of Applications and Permits to Planning and Development Department

~~ExxonMobil~~ Sable shall furnish to the Director of the Planning and Development Department copies of all permit applications relative to the project when submitted to other regulatory agencies. When such permits are received by ~~ExxonMobil~~, Sable, ~~ExxonMobil~~ Sable shall provide copies of the permits to the County within 30 days.

IV. FACILITY DESIGN

IV-A. BOARD OF ARCHITECTURAL REVIEW

All construction and construction activity shall be in accordance with a plan approved by the County Board of Architectural Review including the criteria outlined in Article III Zoning

Ordinance Section 35-236.9 and Section 35-329, except where those criteria have been modified by this development plan. Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the County Board of Architectural Review (BAR) and the Director of the Planning and Development Department (P&D) and obtain BAR and P&D approval of a plan demonstrating that:

IV-A.1. BAR Review and Approval

Prior to construction, all buildings, structures, landscaping, and signs shall be reviewed and approved by the BAR.

IV-A.2. (Moved to section XIV)

IV-A.3. Landscaping for Facility Screening

Prior to use or operation, all facilities, including construction parking and marshalling areas, shall be screened by landscaping from view from Highway 101 to the maximum extent feasible, including the use of mature trees. Landscape screening shall also be placed between the project facilities and riparian habitat areas. To the extent practical, all landscaping should include the use of drought resistant, native plant species.

IV-A.4. Permanent Fencing

Prior to operation, permanent fencing shall be constructed around the project facilities.

IV-A.5. Avoidance of Riparian, Vaqueros, and Cultural Resource Areas

Prior to approval of the Final Development Plan, construction, parking, storage, and marshalling areas shall be defined on the Final Development Plan to avoid, to the maximum extent feasible, riparian habitat areas, the Vaqueros area and cultural resource areas following mitigations identified in the FEIS/R and Supplements. Prior to and during the construction period, the defined areas shall be fenced to limit disturbance of the surrounding areas.

IV-A.6. Underground SCE Power Lines

~~ExxonMobil~~ The permittee shall cooperate with Southern California Edison (SCE) in the undergrounding of power lines on ~~ExxonMobil~~ the permittee's property between the regional transmission line and the SCE substation, should the County require such undergrounding of SCE.

~~ExxonMobil~~ The permittee shall fund a pro-rata share of the differential costs of implementing the environmentally preferred scenario for the transmission lines proposed by SCE from the Goleta substation to Gaviota, based on the environmental review for that project. ~~ExxonMobil's~~ The pro-rata share shall be based upon an equitable cost-sharing formula applied to all users of the grid power.

IV-A.7. (Moved to section XIV)

IV-A.8. (Moved to section XIV)

IV-A.9. (Moved to section XIV)

IV-A.10. Energy Conservation Techniques

Cost effective energy conservation techniques shall be incorporated into project design.

IV-A.11. Exterior Lighting

No unobstructed or unshielded beam of exterior lighting shall be directed toward any area outside graded pads depicted in the Final Development Plan. Lighting along roadways within the project shall utilize low intensity, ground level, shielded fixtures. The plan shall demonstrate that all feasible measures have been taken to reduce obtrusive night lighting and glow from the facilities. 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. *(Added February 19, 2003, Offshore Power Cable Repair & Enhancement Project.)*

IV-A.12. Glare

No glare or other radiation resulting from facilities, other than lighting fixtures or gas flares, constructed pursuant to this Development Plan shall be detectable at any point along or outside the exterior boundaries of the ~~ExxonMobil~~ property.

IV-A.13. (Moved to section XIV)

IV-A.14. Removal of El Capitan Marine Terminal Facilities

Within one year from Final Development Plan approval, ~~ExxonMobil~~ the permittee shall remove the old El Capitan marine terminal tank and associated facilities located immediately north of the Highway 101 frontage road and east of the boundaries of the ~~ExxonMobil~~ property. Prior to commencing removal operations, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a restoration plan for all affected areas which shall include excavating any contaminated soil, and recontour the area, and revegetate the site to blend with the natural state of the surrounding area.

IV-A.15. Tank Removal

~~ExxonMobil~~ The permittee shall cause to have removed the 30,000-barrel tank located adjacent to the ~~ExxonMobil~~ SYU Project temporary vehicle parking lot at the mouth of Corral Canyon. Physical removal of this tank shall be initiated prior to operation of oil and gas

facilities constructed pursuant to this Development Plan. ~~ExxonMobil~~ The permittee shall screen the remaining tanks at the lower tank farm from public view, with tall trees or shrubs. This vegetative screening shall be established as soon as possible following completion of facility removal activities at the lower tank farm. ~~ExxonMobil~~ The permittee shall cause to have permanently removed a 1,000-barrel tank and a condensate separator tank visible in the upper tank farm. Additional tanks and separators at the upper tank farm shall be temporarily removed pending replacement of the equipment removed by the lease-holder. Equipment that is replaced shall meet County Petroleum Administrator standards and shall be painted with the color "Sagebrush" or other suitable color as determined by Planning and Development Department. Removal of these facilities shall be initiated as soon as possible following approval of this FDP amendment. All necessary permits shall be obtained prior to any tank removal. All tank removal and landscaping requirements of this condition shall be completed prior to January 1, 1994, unless an extension is obtained from the Director of the Planning and Development Department or his/her designee. *(Modified August 10, 1993)*

IV-A.16. Landscaping and Revegetation Bond

Prior to issuance of any Land Use Permits or Coastal Development Permits, ~~ExxonMobil~~ the permittee shall post a bond or other security agreement approved by the County Counsel to ensure that all landscaping and revegetation programs are completed.

IV-B. GRADING

IV-B.1. Grading and Erosion Control Plan

~~ExxonMobil~~ The permittee shall construct all facilities in accordance with a Grading Plan and an Erosion Control Plan prepared by a State of California registered Engineer and approved by the Public Works Department, Flood Control Department, and the Director of the Planning and Development Department prior to issuance of a Land Use Permit and/or Coastal Development Permit. Consideration of road crossing and crossing culvert design in terms of sediment loading and loss during flood flows, including 100-year storm flow, shall be included in the Erosion Control Plan.

Above-ground structures in the coastal zone shall not be constructed on slopes which exceed 40 percent prior to grading.

IV-B.2. Landscaping and Irrigation Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a landscape and irrigation plan, which has been reviewed by ~~the ExxonMobil~~ a soils engineer and engineering geologist, and approved by the County, to ensure that irrigation methods will not increase erosion or adversely affect slope stability. To reduce irrigation requirements, reseeding of cut and fill slopes should be scheduled to take advantage of natural rainfall. This schedule should take into consideration

the time required for the establishment of vegetative cover and root mat sufficient for slope stabilization.

IV-B.3. Seasonal Restrictions on Trenching and Grading

No trenching in the riparian habitat areas shall be performed in the wet season (November 1 through April 15) unless ~~ExxonMobil~~ the permittee demonstrates to the satisfaction of the Director of Planning and Development Department (P&D), in consultation with a qualified biologist selected by and under contract to the County, that environmental impacts will not be increased as a result of grading at other times. Pipeline construction grading in the State Parks shall only occur during the winter months. Grading outside of the riparian area may occur year-round provided sediment catch basins, which have been approved by the Public Works Department, are installed prior to grading.

If onshore work associated with the Offshore Power Cable Repair and Enhancement Project is proposed to occur during the rainy season (November 1–April 1), ~~ExxonMobil~~ the permittee shall submit, in addition to the demonstration required above, a project-specific 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 initiation of construction work onshore. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

IV-B.4. Storm Drainage Plan

Prior to issuance of any Land Use Permits or Coastal Development Permits, ~~ExxonMobil~~ the permittee shall submit to the Flood Control Engineer and the Director of the Planning and Development Department for approval a drainage plan that demonstrates adequate protection in a 100-year rainfall event, and shall submit a description, process flow diagram, and calculations describing the containment and treatment of a 100-year storm flow around all tanks and process vessels, including chemistry of untreated runoff discharged water and disposition of treated wastes from separation devices. The plan shall also identify procedures to ensure that, should a 100-year storm flow occur, the culvert under Highway 101 does not become blocked, causing flooding of the facilities in lower Corral Canyon.

IV-B.5. Future Consolidated Grading Plan

As part of the FDP, ~~ExxonMobil~~ the permittee shall submit a grading plan for future consolidated oil processing facilities to at least 210 KBOD.

IV-B.6. Marine Terminal Grading

Grading for any marine terminal facilities shall not commence prior to grading for other project facilities. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

IV-C. DOMESTIC WATER SUPPLY

IV-C.1. Water Permit for Well #3

Prior to issuance of any Land Use Permits or Coastal Development Permits for facilities, ~~ExxonMobil~~ the permittee shall obtain from Environmental Health Services an approved Domestic Water Supply Permit application for Well #3.

IV-D. ON-SITE FACILITIES

IV-D.1. Underground Liquid Storage Tanks

Prior to issuance of the appropriate Land Use Permit, ~~ExxonMobil~~ the permittee shall obtain permits from Environmental Health Services for construction and/or modification of any underground liquid (including molten sulfur) storage tanks.

IV-D.2. Removal of Debris

During the life of the project, ~~ExxonMobil~~ Sable will remove or cause to be removed any and all above ground man-made junk and debris located on the property, including any abandoned oil and gas pipelines, tanks, pumping units, and separators. The area shall be recontoured and revegetated to blend with the natural state of the surrounding area.

IV-D.3. Design Plans for Road Improvements

Design of all road improvements including culvert design for stream crossings, shall be performed by a Civil Engineer registered in the State of California. Plans and profiles shall be submitted to the Public Works Department for approval.

IV-D.4. DELETED

IV-D.5. Parking Regulation Compliance

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall demonstrate compliance with the provisions of the parking requirements of Chapter 35, Article III, Division 6, "Parking Regulations," of the County Zoning Ordinance.

IV-D.6. Water-Conserving Fixtures

The design of all onsite facilities shall incorporate the use of water-conserving fixtures to the maximum extent feasible.

IV-D.7. Permitted Trailers

Upon completion of ~~ExxonMobil~~ the POPCO Process Synergy Project construction activities, the property owner, at his or her expense, shall promptly remove the trailers from the property and disconnect all utilities associated with the use of the trailers in accordance with Section 35-281 of the County Inland Zoning Ordinance.

IV-E. OFF-SITE FACILITIES/RECREATION

IV-E.1. Parking Management Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit a plan to the Director of the Planning and Development Department demonstrating adequate onsite and offsite parking for all private vehicles belonging to employees, contractors, and other project-related personnel as identified in the FEIS/R and Supplements.

All such vehicles shall be parked at the designated parking areas. The plan shall include provisions for employee shuttle bus service from offsite parking areas during the construction phase. Prior to construction, any new parking areas shall be screened from public view pursuant to a landscape plan approved by the County Board of Architectural Review.

IV-E.2. Responsibility for Oil Spill Clean-Up and Resource Restoration

Prior to start-up, ~~ExxonMobil~~ the permittee shall submit a plan approved by the Director of the Planning and Development Department demonstrating that ~~ExxonMobil~~ the permittee shall restore areas of any accidental oil spill damage within Santa Barbara County jurisdiction arising out of this project to pre-spill conditions. In the event that any other party liable for an accidental spill is found to be unable to pay damages, ~~ExxonMobil~~ Sable shall restore the area.

This plan shall be implemented for onsite spills, and offsite spills, including marine terminal accidents and accidents involving marine vessels serving ~~ExxonMobil~~ the permittee. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

IV-E.3. (Moved to XIV-8)

IV-E.4. Contribution to Beach Pilings Removal

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall contribute \$25,000 to a County-maintained fund which will be used for the prompt partial or complete removal of abandoned steel pilings on the beach at El Capitan State Beach Park. Additional funds for this removal will be obtained from other projects which have similar impacts on beach and recreational facilities.

IV-E.5. Compliance with State Parks TUP

~~ExxonMobil~~ The permittee shall obtain and comply with all conditions of approval set forth in its State Parks Temporary Use Permit (TUP). The TUP shall be obtained and a copy

submitted to the County of Santa Barbara Planning & Development Department prior to initiation of onshore construction work associated with the Offshore Power Cable Repair and Enhancement Project. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project.)*

IV-E.6. Pipeline Beach-Crossing/Beach Access

Prior to installation of the pipeline beach crossings, ~~ExxonMobil~~ the permittee shall ensure that there is adequate vertical access to the beach adjacent to the project site. ~~ExxonMobil~~ The permittee shall, at its own expense, maintain this access for 5 years after completion of pipeline installation.

IV-E.7. Funding for Coastal Bikeway System

Prior to start-up, as a mitigation for closing the Coastal Bikeway during the construction period, ~~ExxonMobil~~ the permittee shall pay for the reconstruction of the existing bikepath between El Capitan and Refugio State Beach Parks according to the standards of the State Department of Parks and Recreation or provide to the Department of Parks and Recreation an equal amount of funding for the construction of a new link in the Coastal Bikeway System.

IV-E.8. Bike Path Safety and Maintenance

In order to ensure public safety during construction, repair and/or removal activities, 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 prior to initiation of construction/removal activities.

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 for public safety. The County EQAP monitor shall verify compliance in the field.

~~ExxonMobil~~ The permittee shall submit photo documentation of the physical condition of the bike path before and after access to the south manhole tunnel. ~~ExxonMobil~~ The permittee 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 Beach Park and State Parks for pre- and post-construction inspections. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project.)*

IV-E.9. ~~ExxonMobil~~ to Fund Necessary Road Improvements

Prior to issuance of any Land Use Permits or Coastal Development Permits, ~~ExxonMobil~~ the permittee shall fund any necessary road improvements to serve the project sites identified by the County Public Works Department, Roads Division which may include modifications to the El Capitan/Calle Real interchange, and roadbed improvements on Calle Real. As other

potential road users obtain permits from Santa Barbara County, they will be required to reimburse ~~ExxonMobil~~ the permittee on a pro-rata basis.

V. COGENERATION PLANT

V-1. NO_x Control

In order to mitigate significant air quality and groundwater impacts identified in the FEIS/R and to facilitate future consolidation of oil and gas processing facilities on ~~ExxonMobil's~~ the property consistent with Santa Barbara County policies, ~~ExxonMobil~~ the permittee is allowed to size the cogeneration plant at 49 megawatts with 90 percent NO_x control.

Should ~~ExxonMobil~~ the permittee be unable to achieve 90% NO_x reduction, it may, upon approval by the APCD, apply to Planning and Development Department for permission to operate the plant at a level of at least 80% NO_x reduction. Such permission shall be granted only if ~~ExxonMobil~~ the permittee provides sufficient emissions reductions to offset the increased emissions pursuant to the District's offset ratio in effect at the time of the APCD Source Compliance Demonstration Period and demonstrates that the additional emissions will not cause a violation of applicable federal, state, or local standards, regulations, or increments.

VI. PIPELINE AND NGL/LPG TRANSPORTATION

VI-1. Oil Transportation

All oil processed by ~~ExxonMobil's~~ the oil treatment facility shall be transported from the facility and the County by pipeline in a manner consistent with Santa Barbara County Local Coastal Plan Policy 6-8. Transportation by a mode other than pipeline may be permitted only in accordance with Coastal Zoning Ordinance Section 35-154.5(i), applicable Local Coastal Plan policies and Control Measure R-12 of the Air Quality Attainment Plan, to the extent it is applicable.

VI-2. NGL Blending and Transportation

All natural gas liquids (NGLs), including liquified petroleum gases (LPGs), processed by ~~ExxonMobil's~~ the oil and gas treatment facilities shall be transported from the facilities in a manner consistent with Resolution No. 93-480 approved by the Board of Supervisors on September 7, 1993. Compliance with this condition shall specifically require ~~ExxonMobil~~ the permittee to retain or blend the maximum feasible volume of NGLs within its processed crude oil.

In the absence of another active application and as directed by the Board of Supervisors, ~~ExxonMobil~~ the permittee shall apply for, or participate in an application for, a regional NGL/LPG transmission facility (dedicated pipeline or improvements to existing crude oil pipelines to facilitate batch shipments of NGLs), considering feasibility pursuant to Resolution 93-480.

~~ExxonMobil~~ The permittee shall obtain Planning and Development Department approval of a plan detailing how ~~ExxonMobil~~ they will assure compliance with this condition. *(Modified May 4, 1994; II-2 Review.)*

VI-3. NGL Importation From POPCO

Except as noted in Condition VI-4 below, ~~ExxonMobil~~ the permittee shall import NGLs from the POPCO Las Flores Canyon Gas Plant to ~~ExxonMobil's~~ the Stripping Gas Treating Plant (SGTP) solely via the NGL flowline. The flowline shall be used in accordance with the approved NGL flowline project description (87-DP-32AM04). ~~ExxonMobil~~ The permittee shall report the volume of NGLs imported to the SGTP to the Planning and Development Department (P&D) annually through the Operations EQAP, and at any time upon reasonable request from P&D. *(Added February 14, 1997.)*

VI-4. NGL Unloading Station

In accordance with the approved NGL Unloading Station project description (87-DP-32AM03), ~~ExxonMobil~~ the permittee is permitted to import NGLs from the POPCO Las Flores Canyon Gas Plant to ~~ExxonMobil's~~ the Stripping Gas Treating Plant (SGTP) via unloading facilities constructed at the LPG Storage Pad. This authorization shall be valid until September 15, 1997, after which time all truck unloading shall cease, except for: unloading NGLs from overweight ~~ExxonMobil~~ trucks; or unloading NGLs from ~~ExxonMobil~~ trucks carrying product, loaded at ~~ExxonMobil's~~ the SYU facilities, that does not meet sales specification; or unloading NGLs from POPCO's facilities when it is infeasible to receive NGLs via a pipeline from POPCO because of upset conditions or facility turn-arounds. Any request to import NGLs or any other gas liquids from any source other than POPCO shall be reviewed by the Planning Commission as a revision to ~~ExxonMobil's~~ the FDP. The volume of NGLs permitted to be imported by truck until September 15, 1997 is 438,000 barrels of NGLs per year (annual average). ~~ExxonMobil~~ The permittee shall report the volume of NGLs imported to the SGTP to the Planning and Development Department (P&D) annually through the Operations EQAP and at any time upon reasonable request from P&D. *(Added July 21, 1994; Amended July 16, 1996; Amended May 21, 1997.)*

VI-5. NGL Pipeline Connecting POPCO to ExxonMobil

By September 15, 1997, ~~ExxonMobil~~ the permittee shall construct and operate a pipeline, or use a pipeline constructed and operated by others, that connects POPCO's facilities to ~~ExxonMobil's~~ the SYU facilities for the purpose of shipping NGLs ~~to ExxonMobil~~ for blending in the crude oil ~~shipped by ExxonMobil~~, and for incidental further processing necessary to accomplish blending. In no case shall ~~ExxonMobil~~ the permittee unload NGLs shipped via truck from POPCO's facilities ~~to ExxonMobil~~ after September 15, 1997, with exceptions noted in Condition VI-4. *(Added July 21, 1994; Amended July 16, 1996; Amended May 21, 1997.)*

VII. CONSOLIDATION

VII-1. Consolidation and Co-location

~~ExxonMobil~~ The permittee shall make its facilities and property available for consolidation and co-location of oil and gas facilities on a non-discriminatory and equitable basis. County retains the right to verify that the use of the facilities and property is conforming with County policies regarding consolidation and to impose additional permit conditions where necessary to assure these policies are being fulfilled.

Consistent with the approved policy resolution regarding the consolidation of oil and gas processing facilities, in the event that the need for such facilities is demonstrated by other developers to the Planning Commission, ~~ExxonMobil~~ Sable shall make available to such other developers any excess capacity of the SYU project facilities. In the event that sufficient excess capacity does not exist within the SYU project facilities to serve the needs of such other developers as demonstrated to the Planning Commission, ~~ExxonMobil~~ Sable shall make its Las Flores/Corral Canyon property available to other developers for the construction of additional permitted oil and gas-related facilities. In the event that such necessary facilities are not permissible pursuant to the County's consolidation policies, ~~ExxonMobil~~ Sable shall reduce its throughput on a pro-rata basis to accommodate such other developers.

The intent of this condition is to ensure the efficient and maximum use of oil and gas-related facilities in order to avoid the construction of redundant facilities.

VII-2. Terms for Shared Facility Use

Prior to approval of the Final Development Plan and at any time thereafter, as requested by the County, ~~ExxonMobil~~ the permittee shall submit to the Director of the Planning and Development Department terms, including financial terms, under which other producers in the area would be permitted to enter and use either the facilities or property in the canyons for oil and/or gas processing or storage facilities, or ancillary facilities including but not limited to electrical substations, power generating facilities, water treatment facilities, wastewater loading facilities, and NGL/LPG loading facilities. ~~ExxonMobil~~ Sable shall submit the requested information to the Director of the Planning and Development Department within thirty (30) days of such request or by a date mutually agreed upon by ~~ExxonMobil~~ Sable and the Director of the Planning and Development Department. If these terms are determined to be unacceptable to potential users of the facility and if agreement cannot be reached, the County shall reserve the right to impose additional conditions as described above to amend the permit. The intent of this condition is to ensure the efficient and maximum use of oil and gas transportation and processing facilities. *(Modified May 4, 1994; II-2 Review)*

VII-3. DELETED

VII-4. Oil Storage Capacity

Oil storage tanks, up to a maximum of 650,000 barrels, shall be permitted only in Corral Canyon on the proposed fill pad.

VIII. REMOVAL OF EXISTING FACILITIES

VIII-1.OS&T Discontinuance and Removal

~~ExxonMobil~~ The permittee shall discontinue use of the OS&T within 30 days after the time that onshore oil facilities are fully operational and debugged. In any event, ~~ExxonMobil~~ the permittee shall remove the OS&T within one year of initial start-up of oil processing facilities. These time limits may be extended by the County upon a showing of good cause. The intent of this condition is to require the earliest practical removal of the OS&T.

VIII-2.OS&T SALM Removal

The existing SALM now used for the OS&T shall be removed within three months after removal of the OS&T. This time limit may be extended by the County upon a showing of good cause.

VIII-3.No OS&T in California Coastal Waters Off Tri-Counties

After removal or shutdown of the OS&T, ~~ExxonMobil~~ the permittee shall not use, permit others to use, or transfer the OS&T for further oil and gas processing in California Coastal Waters offshore Santa Barbara, Ventura, and San Luis Obispo Counties, as defined in APCD Rule 205(c).

VIII-4.Cable Recycling Feasibility Analysis

Prior to approval of the Santa Barbara County Coastal Development Permit for the Offshore Power Cable Repair and Enhancement Project, ~~ExxonMobil~~ the permittee shall submit a Recycling Feasibility Analysis for County review and comment. The analysis shall clearly demonstrate and document inquiries made by ~~ExxonMobil~~ the permittee and/or its contractors for cable recycling and responses received, including any conditions and/or limitations to recycling. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

IX. MARINE TERMINAL

(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)

IX-1. Marine Terminal and SALM Permit

This permit allows for construction and operation of a marine terminal with a Single Anchor Leg Mooring (SALM) 11,250 feet offshore. The terminal is intended to serve as a consolidated facility with equitable, pro-rata access to all shippers.

IX-2. Marine Terminal Use

The Las Flores Canyon Consolidated Marine Terminal (LFCCMT) shall be used solely for the transfer of crude oil onto marine vessels for export out of Santa Barbara County. If LFCCMT construction has not commenced by April 1, 1994, and ~~ExxonMobil~~ the permittee has not received from the County an extension of the deferral period permitted herein, that portion of the SYU FDP (87-DP-32cz) permitting LFCCMT construction and operation shall be extinguished and become null and void and no facilities associated with the LFCCMT shall be constructed. *(Modified September 20, 1989)*

IX-3. Marine Terminal Users and Use Plan

~~ExxonMobil~~ The permittee shall allow only those shippers holding valid County permits to use the marine terminal facilities. Prior to construction of the marine terminal, ~~ExxonMobil~~ the permittee shall obtain County approval of a plan to ensure that marine terminal facilities will be used only to serve those destinations that are not adequately served by pipeline and will in all other respects be consistent with County oil transportation policy. This plan shall include quarterly reports of all tanker calls, volumes loaded, producers, shippers, crude oil owners, and destinations. *(Modified September 20, 1989)*

IX-4. Mooring and Tanker Master Requirements

No tanker shall moor at the marine terminal unless commanded at all times during maneuvering and loading by a tanker master who has attended the ship handling course at Grenoble, France and simulator training at the Computer Assisted Operations Research Facility (CAORF) at Kings Point, or the Marine Safety International Facility at La Guardia Airport or at a County-approved equivalent.

IX-5. Segregated Ballast

No dirty ballast water shall be discharged into the coastal waters. All tankers calling at the ExxonMobil facility shall be equipped with segregated ballast systems or shall carry its own ballast.

IX-6. Marine Terminal Availability to All Users

~~ExxonMobil's~~ Marine terminal facilities will be available to all users on a nondiscriminatory basis. County retains the right to verify that the use of the facilities is conforming with State and County policies on consolidation and to impose additional permit conditions where necessary to assure these policies are being fulfilled to the extent feasible. The intent of this condition is to ensure the multi-company use of oil transportation facilities.

IX-7. Demonstration of Need for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning Commission and/or Board of Supervisors approval of the demonstrations required by FDP Condition II-6. *(Added September 20, 1989)*

IX-8. LFCCMT Permit Relinquishment

This condition is imposed to effectuate Local Coastal Program Policies requiring that only one consolidated marine terminal exist in Santa Barbara County. Upon County, State, and Federal approval of the Gaviota Interim Marine Terminal (GIMT) as the consolidated marine terminal in Santa Barbara County with a capacity of 125,000 barrels per day and a thirty-year term as an alternate mode of transportation to pipelines consistent with County oil transportation policies and Gaviota Terminal Company's acceptance of that approval, that portion of the ~~ExxonMobil~~ SYU FDP (87-DP-32cz) permitting LFCCMT construction and operation shall be extinguished and become null and void and no facilities associated with the LFCCMT shall be constructed. If the permit for the GIMT is modified to permit its operation as the consolidated marine terminal with capacity to 125,000 barrels per day and a thirty-year term as an alternate mode of transportation to pipelines consistent with County oil transportation policies in Santa Barbara County, it shall be conclusively presumed that industry's oil transportation demand is not greater than the capacity of the consolidated Gaviota Marine Terminal and that the impacts associated with the LFCCMT are not environmentally preferable to those associated with continued use of the GIMT for purposes of SYU FDP Condition II-6. *(Added September 20, 1989)*

IX-9. Marine Emergency Management Study (MEMS)

If ~~ExxonMobil~~ the permittee constructs the LFCCMT, ~~ExxonMobil~~ the permittee shall implement the recommendations of the County's Marine Emergency Management Study (MEMS) as directed by the Board of Supervisors on June 27, 1989. *(Added September 20, 1989)*

IX-10. Risk Management Program for LFCCMT

Prior to issuance of the coastal development permit for construction of the LFCCMT, the marine terminal facilities design shall undergo review through the Risk Management Program and System Safety Reliability and Review Committee, consistent with FDP Condition XI-1. ~~ExxonMobil~~ The permittee shall reimburse the County for costs incurred in monitoring, if any, compliance with design and mitigation requirements for construction of the LFCCMT consistent with FDP Conditions I-5 and I-6. *(Added September 20, 1989)*

IX-11. Marine Biology Impact Reduction Plan for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a Marine Biology Impact Reduction Plan (MBIRP; FDP Condition XIV-7) that includes the marine terminal and marine terminal pipelines. At a minimum, this plan shall include components comparable to those included in the Planning and Development Department-approved MBIRP

for the SYU pipelines, including pre-and post-construction biological surveys and a quantification of impacts to surfgrass from the marine terminal pipeline installation activities. *(Added September 20, 1989)*

IX-12. Revegetation Plan for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of an updated Revegetation Plan (FDP Condition XIV-3) that addresses the current status of revegetation efforts along the pipeline corridor and identifies specific impact reduction and restoration procedures to be implemented for the marine terminal pipeline construction, consistent with the existing Revegetation Plan. *(Added September 20, 1989)*

IX-13. Pipeline Impact Minimization Plan for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of an updated Pipeline Impact Minimization Plan (FDP Condition XVII-3) that identifies specific impact reduction procedures, including concurrent or shadow construction with other pipeline project(s), to be implemented for the marine terminal pipeline construction. *(Added September 20, 1989)*

IX-14. Authority To Construct for LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall demonstrate to the satisfaction of the Air Pollution Control District (APCD) compliance with the Authority To Construct (#5651) issued by the APCD for the SYU Project. *(Added September 20, 1989)*

IX-15. NO_x and HC Emissions from the LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department and APCD approval of an updated plan demonstrating that NO_x and HC emissions are fully mitigated and that allowable emissions are offset within the meaning of FDP Condition XII-3.b and result in a net air quality benefit to the County. *(Added September 20, 1989)*

IX-16. Construction Emissions Curtailment Plan for the LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department and APCD approval of an updated Construction Emissions Curtailment Plan (FDP Condition XII-5) to reflect estimated overall construction emissions and emissions curtailment procedures specifically for construction activities occurring at the time of LFCCMT construction. *(Added September 20, 1989)*

IX-17. Construction Impact Mitigation Plan for the LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall demonstrate to the satisfaction of Planning and Development Department and the APCD that the project is in compliance with FDP Condition XII-5, including phased construction to minimize peak NO_x emissions and result in a net air quality benefit. *(Added September 20, 1989)*

IX-18. Episode Plan for the LFCCMT

Prior to issuance of the coastal development permit for LFCCMT construction, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department and APCD approval of an updated Episode Plan (FDP Condition XII-7). *(Added September 20, 1989)*

X. SOCIOECONOMIC MITIGATION PROGRAM

~~ExxonMobil~~ The permittee shall participate in the Tri-County Socioeconomic Monitoring and Mitigation Program (SEMP) as adopted by the Board of Supervisors to address socioeconomic impacts identified as significant environmental impacts attributable to the proposed project. The criteria for allocating the costs of the monitoring and mitigation program and its mitigation requirements will be uniformly applied to all industry participants; however, mitigation costs for individual projects will vary.

The intent of this program is to obtain realistic information regarding project-related impacts which may or may not be different from those impacts identified in the FEIS/R and Supplements, and to allow impacted jurisdictions to require mitigation for these and as yet unforeseen impacts. Mitigation of impacts through other planning programs, and/or through existing administrative infrastructure shall be taken into account. The scope of this program is detailed in the SEMP guidelines as adopted by the Board of Supervisors in November 1985. As subsequent details in the structure of the Program are developed and approved by the Technical Advisory Committee (TAC) and the Program Advisory Committee (PAC), such details shall supersede portions of this condition as appropriate.

The purpose of the Monitoring and Mitigation Program is to accurately assess the impacts of the proposed development, including those in the following socioeconomic areas:

- a. Temporary housing needs, particularly demand for state and other park campsites, recreational vehicle parks, motel-hotel rooms and rental housing.
- b. Longer term (more than one year) housing needs, particularly low to moderate income housing needs, and associated water demands.
- c. Public finance, particularly negative fiscal impacts.
- d. Transportation of workers and materials to and from the site.

At any point when the Board of Supervisors determines that the monitoring program demonstrates that previous mitigation or mitigation funds paid by ~~ExxonMobil~~ the permittee exceeds the valuation of the impacts at issue, ~~ExxonMobil~~ the permittee shall be granted a credit against any other current or future mitigation fees imposed on ~~ExxonMobil~~ the permittee for this permit by the County. ~~ExxonMobil~~ The permittee shall be entitled to accrued interest at the prevailing legal rate which shall continue to accrue until the credit is used.

The Monitoring and Mitigation Program will be administered and staffed by the County of Santa Barbara, Department of Regional Programs and the Planning and Development Department.

In the event of unresolved technical issues in the area of methodology and calculation of socioeconomic impacts, there shall be a Technical Arbitration Group. This group shall be composed of three individuals without ties to either the County or ~~ExxonMobil~~ the permittee, one selected by the County Board of Supervisors, one selected by the oil and gas company representatives and the final member selected by the first two members. All Technical Arbitration Group decisions shall be appealable upon written request to the Board of Supervisors. Subsequent details on voting procedures and conflict resolution will be proposed by the Department of Regional Programs and Planning and Development Department and reviewed by the Board of Supervisors in a noticed public hearing.

The need for mitigation will be determined when County threshold levels are exceeded as shown by monitored activities and other data as appropriate. The Department of Regional Programs and Planning and Development Department will recommend mitigation action to the County Board of Supervisors. The Technical Advisory Committee will assist in making the assessment and recommendations. The monitoring and mitigation program will continue through all stages of development and production until the program is no longer deemed necessary by the County of Santa Barbara based on monitoring results and the recommendations of the Technical Advisory Committee and Program Advisory Committee.

This Monitoring and Mitigation Program is being applied as a condition of project approval in recognition of the uncertainty of projected impacts. As detailed in the specific conditions contained herein, a portion (not to exceed 30%) of some impact levels will be assessed upon approval of the Final Development Plan, with the remainder of the mitigation to be determined within the Monitoring and Mitigation Program. The purpose of this approach is to allow for a minimum amount of mitigation for impacts which will occur in the early stages of the project and which require some lead time to develop, such as housing. Any interest accrued from these funds, prior to its use to mitigate identified impacts, will be returned to the applicant.

~~ExxonMobil~~ The permittee shall be responsible for its pro-rata share of the costs associated with administration of the SEMP. All costs associated with project-specific mitigation required through SEMP shall be borne by ~~ExxonMobil~~ the permittee.

~~ExxonMobil~~ The permittee shall report to the County of Santa Barbara Department of Regional Programs information on expenditures, employment, residence information of employees, and their mode of transportation to the facilities. These data shall be provided in the form required by the

SEMP. Data submittals will be made semi-annually or other frequency, as determined necessary following initial data review.

SOCIOECONOMIC CONDITIONS

X-1. Impact and Donation to Campgrounds

Previous projects have shown impacts to State campgrounds from temporary construction workers, and at a minimum, this project is expected to contribute to similar levels of campground use for temporary housing. Unless ~~ExxonMobil~~ the permittee can demonstrate to the satisfaction of Planning and Development Department and the Department of Regional Programs that State campgrounds will not be impacted by construction workers, ~~ExxonMobil~~ the permittee shall make a donation to California State Parks for development of up to 20 new campsites to offset their worker use of these sites during the summer months. This donation shall be the State Parks estimated cost per developed campsite multiplied times the projected worker impact of up to 20 campsites. The total cost of this donation shall depend on the level of impact and shall be determined by County, in consultation with State Parks, after the first 6 months of construction and submitted to the State Parks Department. This determination shall be made using information supplied pursuant to condition X-5, and shall be based on the total number of ~~ExxonMobil~~ Santa Ynez Unit project workers using State Park campsites on the South Coast, averaged over the six-month period.

X-2. Low and Moderate Income Housing

To mitigate the impacts to low and moderate income housing to the South Coast area, the County will require an approved mitigation program prior to approval of the Final Development Plan. The program shall specify how adverse impacts identified through the forecasting element of the SEMP will be mitigated utilizing such measures as in-lieu financial contributions, rental subsidies and direct financing. Formulation of the program shall be consistent with the Housing Element policies and programs, on low and moderate income housing, currently being developed. The applicant will be assessed 30% of the estimated financial costs at the time of approval of the Final Development Plan. The remainder of the mitigation will be determined within the Monitoring and Mitigation Program.

X-3. Local Labor Pool

~~ExxonMobil~~ The permittee shall, to the extent permissible by law, include provisions in its contractor agreements specifically to encourage and promote employment from local labor so as to reduce the impacts associated with the in-migration of workers.

X-4. Incorporate Ventura County SEMP

~~ExxonMobil~~ The permittee shall implement the plan developed jointly by the County of Ventura and ExxonMobil, as outlined below:

I. Socioeconomic Reassessment and Mitigation Program

A. Socioeconomic Reassessment and Mitigation Program shall be conducted for the ExxonMobil and cumulative projects. The Program shall include:

a. An initial reassessment of the socioeconomic impacts of the ~~ExxonMobil~~ SYU and cumulative projects on the operations, infrastructure, General Plans, land use policies, 208 Areawide Water Quality Management Plan, Air Quality Management plan, and resource programs of the County of Ventura and potentially affected cities, special districts, and school districts located therein. The reassessment shall evaluate all direct, indirect, and induced impacts. The scope-of-work and consultant selection shall be determined by the County of Ventura after consultation with ~~ExxonMobil~~ the permittee. ~~ExxonMobil~~ The permittee shall pay the consultant costs.

b. The reassessment shall establish mitigation measures for all potential adverse project impacts identified, including but not limited to:

1) General Fund Impacts

Among the measures to be identified is full compensation of forecasted budget deficits attributable to the project;

2) School Impacts

Among the measures to be identified are financing, site selection, and construction of infrastructure needs attributable to the project;

3) Affordable Housing Impacts

Among the measures to be explored are the payment of housing in-lieu fees, underwriting of mortgage costs, payment of land costs, payment of rehabilitation loans, and rent subsidy payment; and

4) Water and Sewer Supply and System Impacts

Among the measures to be identified are financing, site selection, and construction of infrastructure needs attributable to the project.

Mechanisms for funding, site selection and infrastructure provisions, and contractual relationships shall be established. The timing of the impacts and mitigation measures shall be established. The whole or shared responsibility of ~~ExxonMobil~~ USA the permittee and the cumulative projects shall be established. In the event that initial mitigation measures exceed identified adverse project impacts, the financial ability, mechanism, and responsibility

for reimbursement from affected public agencies to ~~ExxonMobil-USA~~ the permittee shall be established.

- c. The completed reassessment shall be certified as adequate by the County of Ventura in consultation with potentially affected cities, special districts, and school districts identified in the Reassessment.
- d. ~~ExxonMobil~~ The permittee shall establish a security agreement or contract satisfactory to the County of Ventura guaranteeing mitigation of identified adverse project impacts in the certified Reassessment Program (sub-paragraph 1.b. above) or the ongoing Socioeconomic Monitoring Programs in Ventura County or the Tri-Counties.
- e. Sub-paragraphs a. through d. (above) shall be completed prior to Santa Barbara County's issuance of the Land Use Permit for the Oil Treating Plant, unless such timing is waived by the Ventura County Board of Supervisors in a noticed public hearing.

2. Socioeconomic Monitoring Program

A Socioeconomic Monitoring Program (SEMP) shall be conducted for the ExxonMobil and cumulative projects, relative to Ventura County interests. The SEMP shall address and monitor all employment and expenditures associated with the ~~ExxonMobil SYU~~ and cumulative projects. ~~ExxonMobil-USA~~ The permittee shall provide full mitigation pursuant to sub-paragraphs 1.d. and 1.e (above). Implementation of the SEMP in Ventura County shall be administered in conjunction with the Ventura County Technical Advisory Committee (TAC). The composition of the TAC shall be determined during the Socioeconomic Reassessment and Mitigation Program certified by the Ventura County Board of Supervisors as part of or as an amendment to ~~ExxonMobil's~~ the Santa Ynez Unit Project socioeconomic permit condition X-4.

3. Administrative Costs

~~ExxonMobil~~ The permittee shall, on a quarterly basis, promptly and fully reimburse the County of Ventura and the Cities of San Buenaventura, Oxnard, Port Hueneme and Camarillo, for all reasonable staffing and administrative costs associated with the Socioeconomic Reassessment and Mitigation Program, and the Socioeconomic Monitoring Program.

X-5. Temporary Housing Plan

Prior to approval of the Final Development Plan, the applicant shall submit to the County Department of Regional Programs and Planning and Development Department a plan for approval which details for each quarter of construction, how the housing needs of temporary

construction workers can be provided for through the private market place, without adversely impacting existing housing supplies. This plan, to be implemented by ~~ExxonMobil~~ the permittee, shall demonstrate how ~~ExxonMobil~~ the permittee plans to reduce the impacts identified through the SEMP including but not limited to the following elements:

Use of existing underutilized hotel/motel space during the months of September through May to provide for temporary living quarters for direct construction workers by year. Identification of incentives to all ~~ExxonMobil~~ direct construction workers such as rent subsidies and/or shuttle service to the site.

Use of any available housing outside the South Coast area for all workers associated with the project during the summer months when visitor-serving facilities in the South Coast area are at capacity. Incentives for workers shall be identified such as rent subsidies and shuttle service for all workers commuting to the job site.

Proof of reservation of housing facilities shall be submitted to the County on a semi-annual basis based on the SEMP forecast of direct worker housing needs.

~~ExxonMobil~~ The permittee shall provide information, on a semi-annual basis, through the SEMP, demonstrating that the housing needs of direct construction workers are being adequately provided for through the private marketplace without adversely impacting existing housing supplies, visitor-serving facilities or the environment.

Failure to address these impacts will require mitigation over and above that listed here.

X-6. Oil-Related Job Training Programs

~~ExxonMobil~~ The permittee shall agree to provide reasonable funds and/or other means of support to those local organizations who can develop oil-related job training programs. Examples of such organizations are the County of Santa Barbara Employment Training Programs, Private Industry Council, and local community colleges. Prior to approval of the Final Development Plan, the applicant shall submit to the Department of Regional Programs and Planning and Development Department a plan for contributions to such programs. The plan shall include: the type of contribution, (i.e. scholarships, dollar contributions, donation of equipment, use of facilities as training grounds, apprenticeship programs) and the number of years such contributions will be made.

X-7. DELETED

X-8. Coastal Resource Enhancement Fund

~~ExxonMobil~~ Sable shall make payments to the industry-wide Coastal Resource Enhancement Fund established for enhancement of the region to offset the impacts of increased industrial development associated with cumulative oil development in Santa Barbara County as identified in the FEIS/R.

It is recognized that given the proposed cumulative offshore oil and gas development in the Santa Barbara Channel, the impacts to recreation and tourism in the County will be adverse and significant, and that each applicant should be responsible for a pro-rata share of the cost of reducing these impacts.

The County Board of Supervisors shall determine, in a noticed public hearing, the amount of ~~ExxonMobil's~~ Sable's payment to the fund that is required to mitigate residual impacts. Mitigation shall not exceed \$327,400 annually for the life of the project, which is based on information contained in the FEIS/R.

X-9. Water Districts

The FEIS/R has estimated the peak-year requirements for water due to direct and indirect population growth could be as great as 350 AFY, and whereas this increased demand cannot be met in Santa Barbara County; and whereas it is felt that the applicant should be responsible for the development of alternative water supplies for the increased demand associated with the projects, and whereas the FEIS/R has identified severe water constraints in Santa Barbara, and whereas housing development is restricted in these areas due to limited water supplies, therefore;

~~ExxonMobil~~ The permittee shall provide water directly to impacted water districts through approved programs, such as desalination, or make a contribution to local water development projects within the County for that proportion of water necessary to support the growth attributable to their project. This contribution shall be made to the County of Santa Barbara as trustee for the impacted Water Districts and shall be based on the estimated peak water needs as identified through the SEMP multiplied times estimated average cost per acre feet for new water projects, such as desalination, wastewater reclamation and conjunctive use projects. Whereas a District employs several different types of projects with varying costs per project, the average of the project costs to supply this additional water demand will be used to determine ~~ExxonMobil's~~ the permittee's fee.

Where current project costs differ more than twenty percent (20%) from recent historical costs, the Water District shall fully justify the reasonableness of such increase. Thirty percent (30%) of this contribution shall be made at the time of the Final Development Plan approval if approved projects are in place or scheduled. The contribution is understood to be a one-time capital expense with subsequent operating and maintenance expenses the responsibility of water purveyors and consumers, not the applicant. Any additional need for mitigation of impacts on affected water districts shall be determined through the Socioeconomic Monitoring Program on an annual basis.

Any other user of ~~ExxonMobil's~~ the facilities shall comply with this condition to the extent that the additional use induces additional water demand.

X-10. Notice of Construction to Commercial Fishermen

Not less than 30 days before commencing any construction activities, ~~ExxonMobil~~ the permittee shall give notice thereof to all commercial fishermen operating in Santa Barbara County waters with commercial licenses from the California Department of Fish and ~~Game~~ Wildlife. Such notice shall be given in the following manner: i) by posting at the Harbor Master's offices at Santa Barbara, Ventura, Avila, and Morro Bay; (ii) by daily announcement over VHF marine radio until construction is completed; and (iii) other reasonable methods as identified by the Joint Oil/Fisheries Liaison Officer. In addition, for the Offshore Power Cable Repair & Enhancement Project, ~~ExxonMobil~~ the permittee shall file a timely advisory with the local U.S. Coast Guard District Office, with a copy to the Long Beach office of the State Lands Commission, for publication in the Local Notice to Mariners. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*) Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall demonstrate to Planning and Development Department its plans for compliance with this condition. (*Modified May 4, 1994; II-2 Review*)

Prior to and during implementation of the Offshore Power Cable Repair and Enhancement Project, ~~ExxonMobil~~ the permittee shall take the following steps to avoid/reduce conflicts with commercial fishermen:

1. ~~ExxonMobil~~ The permittee shall review design concepts and installation procedures with JOFLO to minimize impacts to commercial fishing to the maximum extent possible.
2. ~~ExxonMobil~~ The permittee shall keep the Joint Oil/Fisheries Liaison Office (JOFLO) in Santa Barbara abreast of construction activities as they progress during implementation of the Offshore Power Cable Repair and Enhancement Project.
3. ~~ExxonMobil~~ The permittee shall continue to consult with JOFLO and commercial fishermen, as appropriate, during the planning and construction stages of the project 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~~ the permittee 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, SBC.
4. Prior to commencement of cable installation activities, ~~ExxonMobil~~ the permittee 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

X-11. Local Fishermen's Contingency Fund

~~ExxonMobil~~ Sable shall cooperate with the County, other oil companies, the fishing industry, and the Coastal Commission to participate in the Local Fishermen's Contingency Fund. This fund has been set up as a loan program to provide speedy equipment replacement for commercial fishermen in order to minimize economic loss while awaiting payment on Federal Fisherman's Contingency Fund claims and for those claims by fishermen for damage attributable to the Santa Ynez Unit project which are not covered under the federal program. The fund shall be a revolving industry-supported contingency fund. The fund shall operate to reimburse fishermen for lost/damaged gear within 15 working days of submission of reasonable claims, to minimize economic damages resulting from such gear loss/damage. Said program shall continue through the life of the project or until the utility of the program is no longer deemed valid by the County.

X-12a. Support Vessel Mooring

All support vessels and tankers for both construction and operations shall be moored according to a plan developed by ~~ExxonMobil~~ the permittee and approved by Planning and Development Department that minimizes disturbance to commercial fishing activities and hard bottom habitats while maintaining safety standards. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

X-12b. Adherence to Vessel Corridors

~~ExxonMobil~~ The permittee shall require all construction and operations vessel transits associated with the Offshore Power Cable Repair and Enhancement Project to comply with the vessel traffic corridors established by the Joint Oil/Fisheries Committee. Inside 30 fathoms, where corridors have not been established specifically for the power cable repair project area, ~~ExxonMobil~~ the permittee shall establish temporary vessel traffic corridors for the duration of the project. These corridors shall be reviewed and approved by the JOFLO prior to initiation of vessel movements associated the power cable repair project. In addition, ~~ExxonMobil~~ the permittee shall include training on vessel traffic corridors in all pre-construction meetings with project contractors and their personnel. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

X-13. Removal of Construction Mooring Buoys and Fan Channel Supports

All construction mooring buoys shall be removed upon completion of construction, and post-construction sub-sea surveys at least 1200 feet on each side of pipeline corridors and

surveys around the mooring buoys shall be conducted to locate equipment lost overboard which may preclude use of fishing gear in that area. In addition, construction sites and footprints created by the exploratory rigs shall be similarly surveyed for any debris associated with exploratory and production drilling. Results of these surveys shall be submitted to the Planning and Development Department. ~~ExxonMobil~~ The permittee shall make all reasonable efforts to retrieve equipment lost overboard.

In the event any fan channel support used for the Offshore Power Cable Repair and Enhancement Project escapes, ~~ExxonMobil~~ the permittee shall require the contractor to recover such supports prior to demobilization.

~~ExxonMobil~~ the permittee shall require contractors associated with the Offshore Power Cable Repair and Enhancement Project, to the extent reasonable and feasible, to recover all items lost overboard during activities associated with the power cable repair 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

X-14. Pipeline Shrouds; Trawl Snag Testing

All pipelines shall be designed with shrouds around protrusions and installed and tested so that they will not snag or damage trawling equipment. Structural plans and reports of trawl snag test results will be submitted to the County Planning and Development Department for approval prior to pipeline construction. Disturbance to the ocean bottom from pipeline installation shall be minimized so as not to alter trawling activity.

X-15. Fisheries Training Program for Offshore Personnel

A Fisheries Training Program shall be mandatory for all oil and gas related support boat operators necessary to the project. ~~ExxonMobil~~ The permittee shall require all offshore personnel to view the Western States Petroleum Association Fisheries and Wildlife Training Program. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

X-16. Fisheries Enhancement Fund

Annual payments to the existing Fisheries Enhancement Fund aimed at the local fisheries to be administered by the County shall be made to enhance local fisheries in the Santa Barbara Channel. This contribution shall be based on the impacts as defined per year in the FEIR/S of \$133,900 per year for only the three years of construction when the impacts are greatest.

The first of these payments shall be made prior to initiation of any offshore construction activity. The second and third payments shall be made on the first and second anniversary dates of the first payment.

The above conditions on fishing shall be reviewed prior to approval of the Final Development Plan to ensure consistency and to avoid undue overlap with California Coastal Commission conditions or other negotiated settlements relative to fishing impacts. At the time of this review, any identical conditions shall be removed from this permit.

X-17. Industrial Use of Recreational Piers

The use of recreational piers for industrial purposes shall be prohibited except during emergencies unless it is demonstrated by the operator that there is no conflict with recreational uses. If recreational piers are requested to be used by ~~ExxonMobil~~ the permittee in an emergency situation, a reasonable landing fee will be assessed by the County Parks Department. Said fee will be used in conjunction with other funds for improvements to Goleta Beach Park.

X-18. Need for Additional Mitigation

If the Socioeconomic Monitoring Program shows that project taxes will not compensate for needed capital or operating expenditures necessary to provide project-related utilities and services, additional mitigation will be required through periodic permit review.

X-19. Santa Barbara Harbor Use Plan

Whereas it has been identified in the FEIS/R that oil and gas industry support vessels will compete for space in the limited harbor in Santa Barbara, and whereas it is desirable to maintain the percentage of space in the harbor now used for recreational and other commercial purposes, therefore:

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall develop a plan for approval by the City of Santa Barbara Harbor Department which details any project-related use of harbor facilities during the lifetime of the project and the fees to be assessed for displacement of recreational space both on a permanent and temporary and/or emergency basis if such use were to take place. This plan shall be reviewed by the County so as to ensure that any fees assessed were used appropriately so as to directly mitigate the impact to recreational and other commercial users of the harbor.

X-20. Parking and Transportation Plans

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall provide plans to the Department of Regional Programs and Planning and Development Department for approval demonstrating that adequate parking is available and that necessary ride-pooling and/or shuttle buses from offsite parking area(s) to the site are provided.

X-21. Traffic Mitigation Fees

In order to prevent significant cumulative degradation of the level of traffic service as a result of new development, Santa Barbara County has adopted and developed a fee program designed to generate funding for road improvements necessary to accommodate traffic from new development. As requested in the July 12, 1984 letter to the Planning Commission from the County Department of Public Works, an up-front offsite road fee will be required for all ~~ExxonMobil and contractor~~ workers. This fee shall be based on the projected 2-year peak average number of trips estimated in the FEIS/R and Supplements of 252 multiplied times the fee developed for the area of impact in the Goleta area of \$1300.00.

The amount of payment shall be reviewed and approved by the County Department of Transportation three months after approval of the Final Development Plan to reflect any credits associated with improvements to area roads as identified in the conditions of approval and when more information will be available on plans for parking facilities and van-pooling. Said payment will be deposited by the Road Division of the Public Works Department into the Road Improvement Trust Fund. Said payment shall be used for traffic related road improvements in the impacted areas specified in the FEIS/R and Supplements.

Funds directed to improvements in the specified areas shall be used to offset and/or reimburse any County expenses to accomplish both engineering and construction of the improvements.

If said payment has not been made within one year of approval of the Final Development Plan, the amount of said payment shall be adjusted by the amount equal to the change in the construction cost index for the preceding year, or increased to the then current fee adopted by the Board of Supervisors, whichever most closely reflects actual costs.

X-22. Highway 101 Demand Mitigation Plan

In order to partially mitigate LOS changes on U.S. Highway 101 and Goleta area intersections, the applicant shall submit a plan to the County Department of Public Works Road Division prior to approval of the Final Development Plan which details how impacts to Level of Service on U.S. Highway 101 will be lessened. This plan shall consider: implementation of staggered shifts for onshore and offshore construction workers during the first three years of construction; scheduling of truck traffic transporting materials to and from the site to avoid peak hours of traffic; material and worker related traffic routing during construction of the cross-town freeway; preferential parking for onshore workers in the limited parking space at Las Flores Canyon for registered ride pools of three or more workers; remote parking and van-pool programs; incentives for bus and/or ride pooling.

X-23. County Review of Taxes, Revenue Sharing, and Fees

In the event that state and/or federal revenue sharing legislation directed at distributing oil related revenues to state or local governments is approved or Santa Barbara County levies a tax (special or otherwise) on oil and/or gas processed or transported under this permit, then any condition herein requiring payment of money or other items of value by ~~ExxonMobil~~ the permittee to Santa Barbara County or any political subdivision thereof may be suspended

pending a review by the County to determine the extent, if any, to which the tax, revenue sharing, or any of the fees imposed are duplicative or unwarranted either as to the level of government services provided or the level of burdens imposed on the public. Upon a determination that any such tax, revenue sharing program or fee is in fact duplicative or unwarranted in light of the obligations created under any one or more of the conditions of this permit, then such obligations shall in any event be immediately suspended and the County shall refund to ~~ExxonMobil~~ the permittee the amount of any payments made since the effective date of such tax, revenue sharing program or fee.

XI. RISK MANAGEMENT PROGRAM

XI-1. Risk Mitigation

A Risk Management Program to substantially reduce the risks of project-related accidents which may result in loss of life and/or injury, and damage to property and/or the natural environment, shall be administered by the Santa Barbara County Planning and Development Department with the assistance of the System Safety and Reliability Review (SS&RR) Committee.

The SS&RR Committee consists of a representative from the County Air Pollution Control District, the County Fire Department, the Energy Division and the Building and Safety Division of the Planning and Development Department, and, on an as-needed basis, the Office of Emergency Services and Environmental Health Services. The SS&RR Committee may employ technical consultants, as necessary, to assist their review. All reasonable costs associated with this review shall be borne by ~~ExxonMobil~~ Sable. ~~ExxonMobil~~ Sable shall be entitled to participate in the review process.

Pursuant to Condition II-1, ~~ExxonMobil~~ the permittee shall submit design and construction drawings for its pipelines (onshore and within State Tidelands), SALM and onshore facilities to the SS&RR Committee, as directed by the Director of Planning and Development Department, for hazard identification, risk assessment, and mitigation of design hazards prior to construction of each project element. ~~ExxonMobil~~ The permittee shall submit operational procedure documents for its pipelines (onshore and within State Tidelands), SALM and onshore facilities to the SS&RR Committee in order to identify and correct potential operational hazards prior to operation. During the hazard identification phase of this review, input from neighboring residents shall be solicited.

The SS&RR Committee shall provide timely written reports on design, construction and operations submittals to identify potential hazards. These reports shall be submitted to ~~ExxonMobil~~ and ~~ExxonMobil~~ the permittee, and the permittee shall be given the opportunity to address the concerns raised and revise its plans to mitigate identified hazards.

The SS&RR Committee may require mitigation of remaining hazards through adoption of additional or modified design criteria. These requirements shall be incorporated into this Development Plan as though contained fully herein. In the event of a disagreement, the

SS&RR Committee may either develop alternate mitigation or request that the mitigation be required through a new or modified permit condition adopted by the Planning Commission.

The SS&RR Committee may also recommend that additional conditions be incorporated into this Development Plan, in a public hearing before the Planning Commission. (*Modified May 4, 1994; II-2 Review*) (*Note: Those portions of the SYU FDP permitting construction and operation of the LFCCMT were extinguished on April 1, 1994; see Condition IX-2.*)

XI-2. Risk Management Program Conditions

(*Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.*)

The Risk Management Program shall be detailed enough to ensure that all of the following conditions are incorporated in the program:

XI-2.a. Safety Inspection and Maintenance Programs

Prior to construction and prior to start-up, ~~ExxonMobil~~ the permittee shall submit to the Director of the Planning and Development Department detailed safety inspection and maintenance programs for all onshore and offshore (within 3 miles of shore) facilities to cover construction and operation periods, respectively. The plans shall include, but not be limited to, regular maintenance and safety inspections, corrosion monitoring and leak detection, and NGL and sulfur truck inspections prior to loading, and NGL and sulfur truck routing. Planning and Development Department shall solicit input from potentially impacted cities in the County, as well as the SS&RR Committee, on the program. The plan shall be reviewed by the County or its consultants and ~~ExxonMobil~~ the permittee shall incorporate modifications approved by the County which shall eliminate identified safety problems and provide for adequate inspection and maintenance. ~~ExxonMobil Sable~~ shall implement the approved plan and shall provide for County staff or its consultants involvement in all inspections.

~~ExxonMobil~~ The permittee shall submit appropriate revisions to its SIMP and receive SSRRC prior to start-up of the Synergy Project. The revisions shall reflect process and design changes as well as inspection and maintenance modifications necessary as a result of the Synergy Project. (*Modified July 25, 2001; 87-DP-032 cz (RV05)*)

~~ExxonMobil~~ The permittee shall prepare a Safety Plan for Tunnel Cable Installation and Removal Operations that describes procedures that will be followed and safety measures that will be taken to ensure that damage to other cables and pipelines does not occur during implementation of the Offshore Power Cable Repair and Enhancement project. 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). This 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. *(Added February 19, 2003 for the Offshore Power Cable Repair and Enhancement Project.)*

XI-2.b. Submittal of Design Specifications and Procedures

Prior to issuance of the LUP or CDP for each project component, ~~ExxonMobil~~ the permittee shall submit to the Director of the Planning and Development Department and the Public Works Department detailed design specifications and procedures which demonstrate mitigation of geologic hazards identified in the Final EIS/R associated with that project component. Design specifications and procedures shall address but not be limited to those measures identified in the FEIS/R and Supplements.

XI-2.c. Emergency Response Plan

Prior to start-up, ~~ExxonMobil~~ the permittee shall have a County-approved emergency response plan (ERP). The plan shall include emergency response procedures to be implemented by ~~ExxonMobil~~ for hydrogen sulfide releases nearshore and onshore, NGL and sulfur spills onsite or offsite, oil spills, and other accidental events affecting public safety and the environment. The plan shall include appropriate evacuation procedures for persons which could be directly affected by the accidents. The plan shall be reviewed and approved by the Office of Emergency Services, the Fire Department, and the Planning and Development Department.

~~ExxonMobil~~ Sable shall demonstrate the effectiveness of the ERP by responding satisfactorily to no more than two drills each year. The drills may be called by the County at locations within the scope of the ERP. These may be surprise drills and if so, the County will provide the following to ~~ExxonMobil~~:

- Written notification stating the need for the surprise drill, and
- A defined scope, objectives, and time window in which the drill may be called.

If critical operations are underway, ~~ExxonMobil~~ Sable need not respond to the drill at the time but shall explain the nature of the critical operations and why response is not possible. The County may then reschedule the surprise drill. Reasonable improvements shall be implemented based on County and ~~ExxonMobil~~ Sable joint review of drill performance. ERP drills shall, to the maximum extent feasible, be designed to satisfy other conditions' requirements for drills.

The plan is a dynamic document and, as such, shall be reviewed and revised when warranted, as determined by the County. *(Modified May 4, 1994; II-2 Review)*

~~ExxonMobil~~ The permittee shall revise their Integrated Emergency Response Plan as appropriate to reflect the Synergy Project changes, including communications between the

two control rooms and automatic shutdown systems. The revised ERP shall be submitted to the SSRRC for review and approval prior to startup. *(Modified July 25, 2001; 87-DP-032 cz (RV05).*

XI-2.d. Funding County Emergency Response Plan

In order to assure that County emergency response procedures adequately interface with the ~~ExxonMobil~~ emergency response procedures, ~~ExxonMobil~~ the permittee shall provide its reasonable pro-rata share of funds to the County to develop and implement a feasible County Emergency Response Plan for oil and gas industry related emergencies. As appropriate, the County shall request funds from other offshore oil operators to aid in funding of the County Emergency Response Plan.

XI-2.e. Oil Spill, Hazardous Materials and Waste Management, and Refueling Plans

Prior to onshore construction, ~~ExxonMobil~~ the permittee shall submit an oil spill prevention control and countermeasure plan addressing onshore construction activities to the Director of the Planning and Development Department for review and approval. Prior to start-up, onshore and offshore oil spill prevention control and countermeasure plans, hazardous waste plans and toxic substance control plans addressing the operations phase shall be submitted to the Director of Planning and Development Department for review and approval. These plans shall contain appropriate procedures to interface with County Emergency Response and Hazardous Material Plans. In addition, these plans shall include measures designed specifically to protect Corral and Las Flores Creeks, low-impact clean-up strategies for riparian and in-stream habitats, restoration procedures in accordance with condition XIV-3, procedures for protecting and/or avoiding known archaeological site areas, and demonstration of incorporation of appropriate oil spill prevention technology (as determined by the SS&RR Committee) into pipeline design. To the extent that submittals to other agencies satisfy the reasonable concerns of the County, these submittals may be used to satisfy this requirement.

For the Offshore Power Cable Repair and Enhancement Project, ~~ExxonMobil~~ the permittee shall prepare a project-specific Oil Spill Response Plan (OSRP) that clearly identifies the responsibilities of contractor and ~~ExxonMobil~~ SYU personnel in the event of an oil spill during project implementation. This plan shall list and identify the location(s) 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

~~ExxonMobil~~ The permittee 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~~ the permittee shall conduct a boom deployment drill prior to commencement of power cable removal and installation operations. ~~ExxonMobil~~ The permittee shall notify MMS at least 72 hours before the drill to allow MMS to witness boom deployment operations. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

~~ExxonMobil~~ The permittee and its contractors shall refuel all vessels involved in the offshore power cable repair project at onshore facilities (ports/piers) or according to an agency approved refueling plan. This 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XI-2.f. Crude Oil Reference Samples

Within 60 days after start-up ~~ExxonMobil~~ the permittee shall provide to the County Petroleum Office representative samples of SYU crude oil from ~~ExxonMobil's~~ SYU facilities for creation of a channel-wide "library" of reference samples of oil. These samples shall be updated annually or as needed during the drilling and production phases of the project by an independent lab or firm of the County's choice. In the event of any reported oil spill or an oil spill of unknown source suspected by the County, but for which there is probable cause in the judgment of P&D, that it resulted from offshore oil activities, then ~~ExxonMobil~~ the permittee shall pay a pro-rata share of the cost of sample collection and analysis. *(Modified May 4, 1994; II-2 Review)*

XI-2.g. Power Cable Repair Execution Plan

~~ExxonMobil~~ The permittee 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 minimize 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 SSRRC prior to approval of the Coastal Development Permit.

~~ExxonMobil~~ The permittee shall de-energize the cables and shutdown the oil and gas pipelines in the tunnel during cable pulling operations in the tunnel, unless ~~ExxonMobil~~ the permittee 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XI-2.h. Site Security Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Santa Barbara County Sheriff's Department for review and approval a site security plan. The plan shall describe procedures to be implemented by ~~ExxonMobil~~ Sable which will prevent intentional damage to onshore and offshore facilities which may result in environmental damage or public safety hazards.

XI-2.i. Fire Control/Protection Plans

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the County Fire Department, for review and approval, a Fire Control Plan for ~~ExxonMobil~~ SYU facilities within Santa Barbara County, including the offshore portions of the marine terminal. ~~ExxonMobil~~ The permittee shall, at its own expense, provide the County Fire Department with reasonable new facilities, equipment, and staffing as specified in the approved Fire Control Plan.

The Fire Control Plan also shall consider the need for fire suppression reservoirs, brush clearing, alternate emergency access roadway(s), and on-site fire detection and suppression systems.

~~ExxonMobil~~ Sable shall be financially responsible for implementing all requirements of the approved Fire Control Plan.

A project-specific onshore Fire Protection Plan (FPP) shall be prepared for the power cable repair project. The plan shall be submitted to the Santa Barbara County System Safety Reliability Review Committee (SSRRC) for review and approval prior to approval of the Santa Barbara County Coastal Development Permit and shall be implemented—by ~~ExxonMobil~~ as approved. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

~~ExxonMobil~~ The permittee shall work with SBC Building and Safety to ensure that the power cable repair project complies with applicable codes and with API RP 500 and NFPA 70 (NEC) for the tunnel area. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

XI-2.j. Tanker/Platform Collision Avoidance Plan

~~ExxonMobil~~ The permittee shall file with the Director of the Planning and Development Department, for information only, Coast Guard approved plans, if any, to ensure that the risks of a tanker/platform collision are minimized.

XI-2.k. Oil Spill Drills

In addition to federal and state requirements for a Spill Prevention, Control, and Countermeasure Plan, ~~ExxonMobil~~ Sable shall demonstrate oil spill response capability by responding to not more than two surprise oil spill drills each year which may be called by the County on the property, offshore at the marine terminal, or along Highway 101 for a simulated tanker truck spill. If critical operations are underway, ~~ExxonMobil~~ Sable need not respond but shall explain the nature of the critical operations and why response is not possible.

XI-2.l. Fire Panel Investigation at Las Flores Canyon

Prior to approval of any Land Use Permits or Coastal Development Permits for marine terminal facilities (except pipelines), the need for a vessel with fire fighting capabilities at Las

Flores Canyon shall be investigated by a five-member panel of experts. The panel shall be composed of the following:

- 1) Santa Barbara County Fire Department representative.
- 2) ~~ExxonMobil~~ Permittee representative.
- 3) ~~ExxonMobil~~ The permittee and the County Fire Department shall each designate one independent expert with education, training and experience in marine crude oil tanker fire prevention and suppression.
- 4) The two independent experts shall in turn designate a third independent expert with similar qualifications.

The Panel shall investigate and consider the justification for a dedicated fire protection vessel at Las Flores Canyon. If the panel decides a fire protection vessel is justified, the panel shall then decide if the vessel can be combined into a common vessel with tug, line handling, and boom deployment capabilities.

The panel shall consider safety, technical and economic evidence, as well as any other evidence the panel deems relevant. ~~ExxonMobil~~ The permittee shall pay the reasonable fees for the services of the three independent experts.

The panel shall make a recommendation to the Board of Supervisors and the Board shall, prior to issuance of any Land Use Permits or Coastal Development Permits for marine terminal facilities (except pipelines), make a final decision as to what marine fire protection system shall be required.

XI-2.m. Fire Protection Systems and Storage Tank Review

All new storage tanks and their fire protection systems shall be of a design reviewed by the System Safety and Reliability Review Committee and approved by the County Fire Department.

XI-2.n. Full-Time Fire Inspector Funding

Prior to operation of the marine terminal facilities, the Santa Barbara County Fire Department shall hire a full-time fire inspector to be stationed in the project vicinity. The cost of this inspector shall be pro-rated among appropriate local development projects as specified in Condition P-8, Final Permit Actions, Chevron Pt. Arguello/Gaviota Oil and Gas Development Project. Prior to such hiring, the County will define, in consultation with ~~ExxonMobil~~ the permittee, the specific duties of the inspector. These duties shall include, but not be limited to those specified in Chevron Condition P-8 and the following:

- Enforce fire prevention regulations applicable to the site;
- Monitor the maintenance of fire protection and firefighting equipment and process control equipment to assure proper operating conditions;

- Report monthly to the Santa Barbara County Fire Department as well as a facility employee designated by ~~ExxonMobil~~ the permittee in consultation with the County Fire Department.
- Coordinate with the United States Coast Guard to assure that fire protection systems and equipment onboard tankers are in proper working order, and coordinate necessary onboard inspections.

XI-2.o. Tug Availability to Tankers

Prior to operation of the marine terminal facilities, ~~ExxonMobil~~ the permittee shall station tugs such that they are available to a tanker as specified by the risk management program.

XI-2.p. Lighting of Onshore Range-Markers

In order to decrease the likelihood of vessel grounding, ~~ExxonMobil~~ the permittee shall light the onshore range-markers at night and during periods of low visibility when a tanker is making its approach, as per USCG-approved plans.

XI-2.q. Installation of Navigational Aids

In order to decrease the likelihood of vessel grounding and collisions, ~~ExxonMobil~~ the permittee shall, prior to operation of the marine terminal facilities, install navigation aids such as marker buoys near obstacles or shallow waters that must be avoided as per USCG approved plans. ~~ExxonMobil~~ The permittee shall light necessary buoys at night and during periods of low visibility.

XI-2.r. Weather Surveillance and Forecasting System

Prior to operation of the marine terminal facilities, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a site-specific weather surveillance and forecasting system to provide vessel masters with accurate information on weather conditions that will aid in decisions for weather-related vessel movements.

XI-2.s. Vessel Equipment and Operations Requirements

Vessels calling at ~~ExxonMobil's~~ the SYU facility shall be equipped with functioning compass, echo sounder, radar, doppler sonar, VHF radio, RDF, anemometer and equipment for short-range position fixing.

~~ExxonMobil~~ The permittee shall ensure that all construction contractors associated with the Offshore Power Cable Repair and Enhancement Project 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. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

~~ExxonMobil~~ The permittee shall ensure that all materials related to the Offshore Power Cable Repair and Enhancement Project cable pulling and laying operations are loaded on the DP vessel at applicable port locations and that transfer of materials at sea is avoided to the extent feasible. No crane-lifts of materials and equipment shall be made over operating pipelines and power cables in the SYU. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

XI-2.t. English Speaker on Vessel Bridge

Vessels calling at ~~ExxonMobil's~~ the SYU facility shall have an English-speaking person on the bridge at all times to facilitate communication with the terminal control personnel.

XI-2.u. Frequency and Purpose of Safety Audits

The ~~ExxonMobil~~ marine terminal operations and facilities shall be subject to initial review as per section (a) of this condition, three years after start-up, and to 5 year safety audits thereafter conducted by the System Safety and Reliability Review Committee and/or an approved third party consultant. The purpose of the review shall be to identify reasonable and feasible changes in procedures and/or equipment, and subsequently to implement appropriate best available and safest technology standards at the facility, considering the economic burdens imposed and environmental and safety benefits to be derived. All reasonable costs associated with review shall be the responsibility of ~~ExxonMobil~~ the permittee.

XI-2.v. Standby Oil Spill Response During Tanker Loading

~~ExxonMobil~~ The permittee shall provide standby oil spill response capabilities, adequate for the risk posed by the terminal operation, aboard a vessel standing by during tanker loading operations. ~~ExxonMobil~~ The permittee may coordinate with Clean Seas or other such companies in satisfying this condition. To the extent feasible, this equipment may be carried aboard other support vessels required during normal operations.

XI-2.w. Responsibility for Oil Spill Clean-Up and Resource Restoration

In the event of an accidental spill of crude oil or gas products processed at facilities constructed pursuant to this Development Plan, ~~ExxonMobil~~ Sable shall immediately implement the provisions of its federal, state, and County-approved spill contingency containment and clean-up plans. If any area is disturbed within Santa Barbara County, ~~ExxonMobil~~ Sable will immediately restore and revegetate the area pursuant to procedures identified in the revegetation plan approved by the Director of the Planning and Development Department (Condition XIV-3). ~~ExxonMobil~~ Sable shall be responsible for the cleanup of all affected coastal and onshore resources, and for the successful restoration of all affected areas and resources to pre-spill conditions. Subject to applicable law, ~~ExxonMobil~~ Sable shall be

responsible for cleanup of any spills caused by other parties in service to ~~ExxonMobil~~ Sable at the time of the spill.

~~ExxonMobil~~ Sable shall provide the County with copies of its Certificates of Financial Responsibility related to its offshore Santa Barbara operations previously filed with the U.S. Coast Guard. Prior to operations at any proposed facilities, ~~ExxonMobil~~ Sable shall demonstrate to the County that ~~ExxonMobil~~ Sable and all users of its facilities are in compliance with any ordinance which requires all operators and users of marine terminals located in the County to produce evidence of sufficient financial responsibility. Demonstration of financial responsibility shall include, but not be limited to, Certificates of Insurance to the Board of Supervisors for the clean-up of oil spills or other petroleum products offshore Santa Barbara County. The Board of Supervisors shall consult with applicable State agencies, the U.S. Coast Guard, U.S. Fish and Wildlife Service and the Federal Minerals Management Service in developing such ordinance.

XI-2.x. Contribution to Study on Coastal and Marine Fire Protection and Vessel Safety

~~ExxonMobil~~ The permittee shall contribute on a pro rata and equitable basis to a regional study on petroleum related coastal and marine fire protection and vessel safety. ~~ExxonMobil~~ The permittee shall cooperate on an equitable basis to implement any generally applicable duly enacted marine fire protection and/or vessel safety ordinance or regulation adopted by the Board of Supervisors or U.S. Coast Guard or relevant jurisdiction.

XI-3. ~~ExxonMobil~~ to Submit Final Process Hazard Analysis to SSRRC

~~ExxonMobil~~ The permittee shall submit a Final Process Hazard Analysis (PHA) of all components of the Synergy Project to the County System Safety and Reliability Review Committee (SSRRC) for review and comment at least 60 days prior to startup. All mitigation recommendations resulting from the PHA shall be reconciled with the final design and operating procedures and agreed to by the SSRRC.

XI-4. ~~ExxonMobil~~ to Submit Final Synergy Project Design To SSRRC

~~ExxonMobil~~ The permittee shall provide final design deliverables that document the interdependence between the facilities (POPCO and ~~ExxonMobil~~ SYU) to the SSRRC for review and comment prior to startup. The documents shall include the following:

- Final Piping and Instrumentation Diagrams (P&IDs) showing operating controls;
- Maintenance program changes for the new or modified systems;
- Process controls philosophy for POPCO and ~~ExxonMobil~~ SYU Distributed Control Systems;
- Cause/Effect logic for emergency shutdown of each individual feed (or systems) in case of an upset;

- Corrosion inspection data for turndown contactor which has been out of service;
- Confirmation of the equipment sizing basis to handle increased throughput at POPCO SRU and ~~Exxon~~ SYU TGPU;
- Preparation of operating and commissioning procedures; and,
- Operator training and cross training.

XI-5. ~~ExxonMobil~~ to Submit Final P&IDs to SSRRC

~~ExxonMobil~~ The permittee shall submit final P&IDs to the SSRRC and receive SSRRC approval via an as-built check prior to startup of the ~~ExxonMobil~~ SYU/POPCO Synergy project.

XI-6. Critical Operations and Curtailment Plan

~~ExxonMobil~~ The permittee 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 power cable installation and removal operations. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project.)*

XI-7. Cable Release Prevention Plan

~~ExxonMobil~~ The permittee 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. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project.)*

XII. AIR QUALITY PROTECTION

XII-1. Statement of Scope

Nothing contained herein shall be construed to permit a violation of any applicable air pollution law, rule, or regulation.

XII-2. Authority to Construct

Prior to initiation of construction, including grading, of any facilities approved pursuant to this Development Plan, ~~ExxonMobil~~ the permittee shall obtain an Authority to Construct from the County Air Pollution Control District.

XII-3.a. Consolidation Air Quality Monitoring

Prior to approval of Final Development Plan, ~~ExxonMobil~~ the permittee shall file a plan with the Director of the Planning and Development Department, approved by the Air Pollution Control Officer demonstrating that no portion of the SYU Project, including but not limited to, any marine terminal facilities, construction emissions or any other constituent facilities, alone or in combination with other sources, will preclude future consolidation in Las Flores and Corral Canyons. The plan shall be based on the results of APCD approved air quality modeling of a maximum feasible consolidation plan. This consolidation plan should include at least 210 KBOD oil treating, 200 MSCFD gas treating (including stripping gas treatment plant(s)), oil storage of 1.2 MB, tanker loading at the marine terminal, construction emissions, proposed offshore platforms in Federal and state waters, marine vessels, and cogeneration facility, and shall demonstrate that these facilities will not individually or in conjunction with any other sources result in violation of any applicable air quality standard, regulation or increment. If modeling indicates that any portion of the proposed SYU project would preclude future consolidation of facilities in the Canyon at the levels expressed above, no portion of the project as described herein shall be constructed until additional mitigation measures or changes are included in the project design such that planned consolidation of facilities are no longer projected to cause non-compliance with any of the provisions of this condition. Any air quality modeling required to meet this condition shall be approved by the Director of the Planning and Development Department and the County Air Pollution Control Officer. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-3.b. NO_x and HC Mitigations and Compliance with AQAP

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall demonstrate to the County and APCD that all NO_x and HC emissions associated with the construction and operation of the ~~ExxonMobil~~ SYU project, to the extent they adversely affect onshore air quality (including emissions from platforms, tankers, crew and supply boats and onshore facilities), are fully mitigated and allowable emissions (as defined at 40 CFR 51.165.a.1) both onshore and in State waters are offset as applicable according to APCD rules so as to maintain compliance with the reasonable further progress provisions of the Santa Barbara County Air Quality Attainment Plan and result in a net air quality benefit to the County. Total offsets for operations shall be equal to or greater than entire source emissions including OCS sources.

XII-4. Facility Shall Emit No Detectable Odor

All facilities shall be designed, constructed, operated and maintained such that no odor from facilities approved under this Development Plan shall be detectable at any point along or outside the exterior boundary of the ~~ExxonMobil~~ SYU property.

XII-5. Construction Curtailment Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Director of the Planning and Development Department, the Planning Commission, and the Air Pollution Control Officer for approval a plan to mitigate construction air quality impacts to the maximum extent feasible. The Plan shall discuss the following mitigation measures contained in the EIS/EIR and Supplements:

Phase onshore and tidelands construction activities;

Schedule peak construction emissions to occur during the non-ozone season as determined by the Air Pollution Control Officer;

Minimize peak NO_x emissions through reduction of intensity of diesel construction equipment activities in each active construction area;

Use construction equipment with lower NO_x emissions than those contained in publication AP-42 and used to assess construction impacts;

Control the area to be worked on each day to minimize unnecessary disturbance and reduce dust formation;

Restrict public access to areas immediately southwest of ~~ExxonMobil's~~ the SYU property where exceedances have been predicted;

Obtain NO_x and hydrocarbon offsets from other sources in the area approaching the peak quarterly offsets required for the project's operations phase.

~~ExxonMobil~~ The permittee shall fund a program to test the feasibility and/or effectiveness of emissions reduction measures applicable to construction or other mobile sources.

In addition to the measures above, ~~ExxonMobil~~ the permittee shall develop a curtailment plan to be approved by the Air Pollution Control Officer for construction activities within APCD jurisdiction and filed with the Director of the Planning and Development Department prior to issuance of the Land Use Permit for grading. At any time, if onshore air quality monitors within the jurisdiction of the APCD, as determined by APCD, indicate an imminent violation of any applicable air quality standard or regulation, ~~ExxonMobil~~ the permittee shall implement the appropriate air pollution curtailment plan as directed by the Air Pollution Control Officer.

XII-6. Ambient Air Quality Monitoring Stations

~~ExxonMobil~~ The permittee shall install and initiate operations of air quality monitoring stations in numbers and locations as specified by the Air Pollution Control Officer prior to any activities being conducted under any land use permits issued for this project. These monitors shall be installed to examine onshore effects of: tanker loading emissions, Las Flores Canyon facilities emissions, acid fog on nearby agricultural operations and humans, and regional

ozone impacts and shall be equipped with remote high level alarms and recorders. ExxonMobil shall install telemetry or modem connections and terminals within the offices of the Air Pollution Control District such that ambient air quality levels can be monitored at the APCD.

~~ExxonMobil~~ The permittee shall provide funds to the District or a designated agent within thirty (30) days of receipt of a written request for same, for a pro-rata share of the costs incurred by the District for the purchase, installation, operation and maintenance of a central data acquisition system to be located at the District office. The central data acquisition system will be designed to handle anticipated incoming monitoring data from this project and other proposed oil and gas projects. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-7. Air Pollution Episode Plan

Prior to approval of the Land Use Permit for the Oil Processing Facility construction, ~~ExxonMobil~~ the permittee shall file with the Director of the Planning and Development Department, an air pollution episode plan for the operations phase of the project which has been approved by the Air Pollution Control Officer. The plan should address both regional ozone levels and local inert pollutant concentrations as required by the APCD regulations. The plan shall describe procedures ~~ExxonMobil~~ the permittee shall take to reduce emissions during an air pollution episode as defined by APCD Rule 602.B.1. The episode plan shall cover sources only within the jurisdiction of the APCD and shall be prepared consistent with the requirements of APCD Rule 603.

XII-8. Implementation of Curtailment Plan

~~ExxonMobil~~ The permittee shall implement mitigation measures for reducing operations phase inert pollutant emissions as follows:

Do not test-fire platform and onshore diesel standby engines when a tanker is moored at the SALM;

Do not load tankers when marine terminal vapor balance-line is not operating pursuant to Condition XII-9;

Use District-approved Inspection and Maintenance Program to limit fugitive HC emissions from valves, pumps, compressors, and other process components for onshore and offshore (excluding OCS) facilities;

Use 41 or 52 KDWT steam driven tankers, or emissions equivalent vessels. Vessels with lesser or equivalent emissions for all pollutants than those vessels shown as acceptable in the above referenced documents are allowed as well. Other vessels may be allowed if approved by the County Planning Commission as in substantial

conformance based on APCD approved modeling which shows no standards violations;

Reduce tanker emissions through any or all of the following measures: hull modifications (such as increased efficiency of propellers or low friction hull coatings), on-board power plant modifications (such as low NO_x burners), and modifications of vessel operations (such as lower vessel speeds in state waters);

Installation of feasible controls on onshore facilities to minimize emissions of particulate matter during production to the extent these controls do not substantially increase NO_x or RHC emissions;

Support vessels will use 0.25 percent or lower sulfur fuel while in waters off the coast of Santa Barbara County. Tankers using the marine terminal will use 0.25 percent or lower sulfur fuel in waters off the coast of Santa Barbara County and shoreward of the vessel separation corridors;

Achieve feasible NO_x reductions on crew, supply and assist boats (through such techniques as injection timing retard, seawater intercooled turbochargers, and alternative fuels use or other methods demonstrated in relevant studies) so that emissions are no greater than 9.0 grams of NO_x per horsepower-hour at full power;

To the extent feasible use helicopters instead of crewboats for standard operations;

Optimize vessel use to reduce emissions;

Do not allow two tankers utilizing the terminal to operate simultaneously within APCD jurisdiction.

~~ExxonMobil~~ The permittee shall demonstrate compliance with this condition through a plan required prior to approval of the Final Development Plan. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-9. Vapor Control System

To mitigate significant impacts identified in the 1986 Supplement to #83-EIR-22, the marine terminal shall include and utilize a vapor control system to reduce marine vessel loading and storage tank emissions to a level such that the total hydrocarbons emitted by the system remains below the level (4.71 pounds per hour) in the worst case hour and which has been offset according to the Authority to Construct permit. Because the control efficiency assumed in the SEIR has not been demonstrated in practice, verification of the efficiency and actual emission rate of the system (including vapor collection, recovery and combustion) must be demonstrated during the initial tanker loading operations using a combination of source testing and/or tracer gas analyses as approved by the District. The procedures used to demonstrate

the vapor control system efficiency must be approved by the APCD prior to the first tanker loading. The demonstration program will be of sufficient duration as determined by the APCD to demonstrate that the system can operate in compliance with the claimed control of 99.8 percent efficiency in ~~ExxonMobil's~~ the Revised Preliminary Development Plan.

The vapor control system, including pressure/vacuum valves, loading and return lines, and other potential sources of emissions, shall be inspected for proper operation prior to each loading. An orderly shutdown of loading operations shall commence if the vapor control system fails to operate at the level described above, unless necessary variances have been, or an emergency variance can be, obtained from the District Hearing Board. Efficiency of the system shall be demonstrated to the reasonable satisfaction of the APCD each quarter using a combination of continuous emissions monitors, source tests, and/or tracer gas analyses. Quarterly inspection reports will be provided to the APCD within 30 days after the end of each calendar quarter.

If the District determines, based on results from quarterly system efficiency demonstrations, that the system is operating at the required efficiency, the District may reduce the required inspection frequency to semi-annual or annual basis. If ~~ExxonMobil~~ the permittee is unable to demonstrate the continuous operation of the vapor control system at the levels described above, ~~ExxonMobil~~ the permittee shall provide offsets for the increased emissions determined by the APCD through the testing described above. More than three variances in any 90-day period, or the granting of variances for ten operation-days within any 90 day period, shall constitute a rebuttable presumption of failure to operate the vapor control system at the required level.

In the event of the occurrence described above, ~~ExxonMobil~~ the permittee shall apply to the APCD Hearing Board for a determination whether the vapor control system can reasonably be expected to operate at the claimed efficiency level (99.8%) for the next quarterly period. The Hearing Board's determination shall be reviewed by the Director of the Planning and Development Department, and shall be presented to the Planning Commission upon the Commission's request. The Hearing Board's determination shall be considered as evidence in any decision as to whether additional mitigations should be required. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-10. DELETED

XII-11. Validation Information

Prior to approval of the Final Development Plan, and within 45 days after the end of each semi-annual period during operations, ~~ExxonMobil~~ the permittee shall submit to the Department of Resource Management and APCD written statements certifying the type and size of tankers and support boats used in SYU operations during the previous 6 months and estimates of the anticipated use during the next 6 months. The information shall also include the estimated operating schedules, frequency and duration of port calls and other information

as required by APCD to the extent permitted by law, to validate the accuracy of project data used in the 1986 Supplement to #83-EIR-22 air emissions modeling and used as the basis of permit issuance. The County may require validation and updating of this information as needed.

Should this information reveal significant differences between the estimated air emissions and those analyzed in the 1986 Supplement to #83-EIR-22, the APCD and County shall modify air quality permit conditions as necessary to assure consistency with the Air Quality Attainment Plan, Reasonable Further Progress goals and APCD rules or regulations. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-12. DELETED

XII-13. DELETED

XII-14. DELETED

XII-15. DELETED

XII-16. Demonstration of Monitoring Devices and Records to the APCD

~~ExxonMobil~~ The permittee shall include adequate facilities monitoring devices and shall keep adequate records and shall demonstrate to the satisfaction of the APCD that the project within APCD jurisdiction is being operated consistent with the emissions assumptions in the 1986 Supplement to 83-EIR-22. The number and types of monitoring devices and the reporting format, contents, and timing of these submittals shall be approved by the APCD prior to issuance of the Land Use Permit for construction of the oil processing facilities.

XII-17. Air Quality Standards Compliance Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit a plan to the Planning and Development Department, approved by the APCD, which demonstrates, using APCD approved methodology, that emissions due to operation or dismantling of the OS&T and SALM, in conjunction with project emissions and other existing source emissions, do not result in the violation of any air quality standard or entire increment as defined in APCD Rule 205(c), and do not interfere with reasonable further progress toward attainment of air quality standards. To the extent that simultaneous emissions occur from OS&T and SYU onshore oil and gas processing and marine terminal facilities beyond 90 days after initial start-up of those facilities, unless appropriate variance(s) can be obtained from APCD Hearing Board, adequate offsets and/or mitigations shall be provided for the increased emissions due to these simultaneous operations. *(Note: Those portions of the SYU FDP permitting construction and operation of the marine terminal were extinguished on April 1, 1994; see Condition IX-2.)*

XII-18. Air Quality Required Offsets

All permitted emissions of ROC and SO_x in ATC #10351 (~~ExxonMobil~~ SYU/POPCO Synergy Project) are required to be fully offset at a minimum ratio of 1.2 to 1.0 and to show a net air quality benefit according to APCD Rules and Regulations. The project also implements Best Available Control Technology (BACT) on all existing and proposed emission units. MONITORING: The offsets and use of BACT would be enforced through the APCD permit conditions. BACT would consist of (a) the use of a low-NO_x burner and thermal DeNO_x for the waste gas incinerator and (b) the use of low emission valves and tighter leak standards (100 ppmv) for piping components in reactive organic hydrocarbon service.

XII-19. Dust Generation Control

Dust generated by onshore construction or other development activities shall be kept to a minimum with a goal of retaining dust on site. The dust control measures listed below shall be followed.

- 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 to create a crust after each day's activities cease.
- b. During onshore construction of the Synergy Project and/or the OPSR:A Project, water trucks shall be used as necessary to keep all areas of vehicle movement damp enough to minimize dust 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. Increased watering frequency should be required whenever the wind speed exceeds 15 mph. Reclaimed water should be used whenever possible. Plan Requirements: This condition shall be conveyed to all applicable contractors in construction contracts.

MONITORING: EQAP monitor to spot check in the field.

(Modified February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)

In addition to all other applicable conditions of the SYU FDP, the following new air quality permit conditions (XII-20 – XII-24) apply specifically to the implementation of the Power Cable Project as approved by Santa Barbara County on February 19, 2003.

XII-20. Emissions Reporting Plan

~~ExxonMobil~~ The permittee 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.

MONITORING: The Emissions Reporting Plan shall be submitted to and reviewed by the MMS and SBCAPCD.

XII-21. Fuel Use Summary

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.

MONITORING: The Fuel Use Summary shall be submitted to the MMS and SBCAPCD for review.

XII-22. Fuel Sulfur Requirement

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.

MONITORING: The sulfur content of fuel shall be monitored by the MMS and SBCAPCD.

XII-23. Innovative Technology Fund

The applicant shall contribute financial support to the SBCAPCD Innovative Technology Fund to compensate for any emission potential over 240 lbs. NO_x per day associated with the retrieval of failed Cable C to the shelf break.

MONITORING: The SBCAPCD shall monitor emissions potential and require contribution from ~~ExxonMobil~~ the permittee as appropriate.

XII-24. Emissions Contingency Plan

~~ExxonMobil~~ The permittee shall prepare a contingency plan prior to power 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.

XIII. CULTURAL RESOURCES MANAGEMENT

XIII-1. Cultural Resources Mitigation Plan

Prior to initiation of construction, ~~ExxonMobil~~ the permittee shall file with the Director of the Planning and Development Department (P&D), a Cultural Resources Management Plan, approved by the Planning and Development Department and the State Office of Historic Preservation. The plan shall meet the requirements of 36 CFR Parts 60 and 800, Appendix K of CEQA, and the County Prehistoric Archaeological Guidelines and shall include those mitigations identified in the project FEIS/R and Supplements. Implementation of the Plan shall proceed on an expeditious and effective schedule in order to avoid or minimize conflicts with other construction scheduling requirements delineated in other permit conditions contained herein. The main components of the Cultural Resources Management Plan shall include:

- a. Procedures for avoidance of known sites wherever feasible and test excavations of known sites that cannot be avoided. These test excavations will assess the importance of each site according to CEQA Appendix K criteria and other established regulatory requirements and, where necessary, will recommend appropriate data recovery as a mitigation measure. Additional subsurface sampling (use of shovel test pits) shall be used in defined sensitive areas which will be affected by project construction to confirm the presence/absence of previously unknown (undiscovered) sites. Any new sites found shall be treated as per this condition. In any case, subsurface testing shall be performed in the Fire Pit site identified in the FEIS/R and Supplements.
- b. Following the determination of site importance, ~~ExxonMobil~~ the permittee shall inform the Planning and Development Department of the methods to be used for significant site avoidance. For those significant sites not avoided, the consulting archaeologist shall, in consultation with the Native American community, prepare site-specific mitigation (excavation/data recovery) plans in accordance with applicable state, federal and/or County guidelines;
- c. Implementation and completion of the field work aspects of the site-specific mitigation plans prior to construction in the vicinity of the resource.

- d. Demonstration of ~~ExxonMobil's~~ the permittee's commitment to implement all required mitigation measures, including those developed through continued consultation with Native American representatives and the County.
- e. Provisions for participation of the archaeologist selected as per condition XIII-2 below and adequate Native American representation throughout any excavation or construction-related disturbance activities, recovery of sites, and disposition of artifacts.
- f. Procedures that demonstrate, to the satisfaction of the Planning and Development Department and the archaeologist identified through condition XIII-2 below, that the potential impacts associated with capping site SBa-1733 and the Ortega Adobe site with 12 feet of fill will mitigate impacts to these cultural resources to the maximum extent feasible. These procedures shall consider, at a minimum, the use of archaeologically sterile soil for capping and the use of contrasting buffers (i.e., a layer of soil darker or lighter than the fill material) to identify the existing ground level to facilitate future research efforts.

All testing and mitigation costs shall be funded by ~~ExxonMobil~~ the permittee. All construction activity shall be performed in accordance with the approved plan.

XIII-2.Archaeologist on As-Needed Basis

Prior to initiation of construction-related activities, a qualified archaeologist shall be approved by the County Planning and Development Department, in consultation with Native American Representatives. If feasible, the archaeologist's services shall be incorporated into the EQAP, as detailed in condition III-1 to avoid duplication of effort. The archaeologist shall be available on an as-needed basis through the completion of construction activities. The archaeologist shall be funded by ~~ExxonMobil~~ the permittee and shall be responsible to the County Planning and Development Department as outlined in the EQAP. Compensation shall cover all excavation, analysis, and report preparation for all areas investigated, including those found during construction.

XIII-3.Pipeline Contractors and Native American Consultants Workshop

Prior to pipeline installation activities, ~~ExxonMobil~~ the permittee shall sponsor a workshop for its pipeline contractors and Native American consultants to review and explain the mutual concerns and activities of the parties during pipeline installation work.

XIII-4.Curation and Ownership of Non-Burial Associated Artifacts

If non-burial associated cultural resource artifacts are recovered during construction (the location of such artifacts being unknown prior to construction), the curation of the artifacts shall be carried out as per approved County guidelines. Upon the determination of the origin

of the materials, the Native American Community shall have the first option for ownership of the artifacts.

XIII-5.Burials

If burials or burial associated artifacts are found during construction (that were unknown prior to excavation) and cannot be avoided, further excavation or disturbance in the area of the resource shall be suspended. ~~ExxonMobil~~ the permittee, in conjunction with the Native American representatives and the Planning and Development Department, shall adhere to the guidelines in CEQA Appendix K and the County Archaeological Guidelines prior to continued construction activity in the area of the resource.

XIII-6.Funding for Chumash

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall agree to contribute necessary funds to programs developed by affected Chumash bands in consultation with the County archaeologist and approved by the Planning and Development Department, which lessen unavoidable, significant impacts to cultural resources due to the Santa Ynez Unit project. Funding shall be determined jointly by ~~ExxonMobil~~ the permittee, the Planning and Development Department, and those affected Chumash bands. Should ~~ExxonMobil~~ the permittee wish to receive credit for funds paid to Chumash bands by any other mechanism, (e.g., monitoring, curation, etc.), or funds spent on alternative mitigations, the Planning and Development Department in consultation with affected Chumash bands, must find prior to approval of such credit that such funds are being used to lessen unavoidable, significant impacts to cultural resources. The contribution shall be made no later than at the completion of site development.

XIII-7.Additional Cultural Resource Mitigation Measures

In addition to the onshore cultural resource mitigation measures identified above, the following measures shall be implemented for the Offshore Power Cable Repair and Enhancement Project;

1. All onshore construction plans shall clearly state that excavation shall be limited to 5 feet below ground surface and to 3 feet below the cable entry point at the tunnel north wall for a distance of approximately 25 feet north of the wall. Evidence of compliance with this mitigation measure shall be documented prior to land use clearance and monitored by the County's EQAP Monitor or County Staff in the field.
2. If potential cultural material is encountered during excavation, work shall be halted until a Planning and Development-qualified archaeologist and Native American representative are consulted. Protection of archaeologically significant material shall be in accordance with County Guidelines.
3. A pre-construction meeting shall be organized to educate onsite construction personnel as to the sensitivity of archaeological resources in the area. ~~ExxonMobil~~ The permittee's

personnel shall instruct all construction and project personnel to avoid removing cultural materials from the property. Evidence of compliance with this mitigation measure shall be documented prior to land use clearance. Agency personnel shall be invited to attend the meeting.

XIII-8. Offshore Cultural Resource Mitigation Measures

As part of the project description for the Offshore Power Cable Repair and Enhancement Project, ~~Exxon~~ the permittee has agreed to implement the following measures to protect potential offshore cultural resources during cable removal and installation procedures:

1. Require contractors to avoid potential *offshore* cultural resources by a 300 feet (90 m) radius to the extent possible during all offshore construction activities. This protective zone is to account for routine uncertainties in using remote sensors to precisely locate potential cultural resources in deep waters.
2. Provide all vessel operators working in these areas with the coordinates of the probable location of the potential sites and instruct them to remain outside of the 300 feet (90 m) protective zone. If complete avoidance of the zone is not possible, further investigations of the affected zone may be conducted through more intensive geophysical field surveys or ROV inspection. If further study indicates that the affected location is the remains of a shipwreck, the significance of the resource would be evaluated, and a mitigation plan would be developed, if appropriate.
3. Include a review of avoidance procedures for the cultural resource areas during the pre-construction environmental compliance meeting.
4. Utilize an ROV to monitor installation activities during cable laying operations in the areas of potential cultural resources. The ROV would allow real time monitoring and detection of potential cultural resources. If a potential cultural resource site is encountered during cable placement and removal operations, the operator would immediately notify the MMS.
5. The applicant shall immediately halt cable laying operations if a previously undetected cultural resource site that could be impacted by ongoing operations is discovered. After the applicant has notified MMS of the discovery, if investigations determine that the resource is significant, MMS shall inform the operator how to protect the resource.
6. ~~ExxonMobil~~ The permittee shall use an ROV equipped with a color-imaging sonar with a range of at least 300 feet (90 m) radius in polar-scanning mode to monitor cable placement and removal activities in the area of potential cultural resource no. 3. If a previously undetected resource site is discovered, then # 8, below applies. In the event that the cable needs to be laid outside of the previously surveyed area, ~~ExxonMobil~~ the permittee shall use the ROV to identify potential cultural resources prior to installation. If a previously undetected resource site is discovered, then #8, below applies.

~~ExxonMobil~~ The permittee shall arrange for responsible agencies to attend a meeting with the cablelaying contractor ship's captain to review cultural site avoidance procedures prior to commencing cablelaying activities.

7. The MMS and/or SLC retain the option for inspectors to be present on a vessel at the sites to ensure that proper cablelaying and removal procedures are conducted.
8. If a previously undetected resource site is discovered, the applicant shall immediately notify MMS and California State Lands Commission and avoid the site. If the resource site is unavoidable, the applicant shall immediately halt cablelay or removal operations and perform an investigation, according to MMS/SLC instructions, to assess whether the site is significant. If the site is significant, the MMS/CSLC shall inform the applicant how to protect the resource. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XIV. BIOLOGICAL AND VEGETATION PROTECTION

XIV-1. Pre-Construction Baseline Survey and Post-Construction Survey

Prior to issuance of the Final Development Plan, qualified biologist(s) selected by and under contract to the County shall, at ~~ExxonMobil's~~ the permittee's expense, perform a baseline survey of the areas of the property outside of the construction zones defined on a plan approved by the County Director of Planning and Development Department, to determine the pre-construction condition of the flora, fauna and habitats on the property. The kelp beds in the vicinity of the ocean outfall shall be evaluated through current and historical records, including aerial photographs. The biologist shall submit to the Director of the Planning and Development Department and to ~~ExxonMobil~~ the permittee a written report describing baseline conditions, with aerial photographs.

After construction and prior to operation of the facilities, a second survey will be conducted at ~~ExxonMobil's~~ the permittee's expense, to determine the then existing condition of the flora, fauna, and habitats (including kelp beds). Aerial photography, including stereo color and infra-red, shall be required at this time. Another report, similar in content to the pre-construction report, shall be submitted to the Director of the Planning and Development Department and to ~~ExxonMobil~~, the permittee describing any changes in natural conditions and identifying reasonable measures including feasible mitigation measures listed in the FEIS/R and Supplements, and considering a natural recovery period, to repair or reduce any damage which has been caused by construction. ~~ExxonMobil~~ The permittee shall implement reasonable measures as directed by the Director of the Planning and Development Department.

During operation, annual surveys, including stereo color and infra-red photography when requested, shall be conducted and reports and photographs shall be submitted to the Director of the Planning and Development Department until temporarily suspended or deemed no

longer necessary by the Director of the Planning and Development Department. Sensitive air pollution indicator species shall be used as deemed necessary.

Prior to start-up, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a plan describing the format, content, procedures, and scheduling of the operational surveys and reports described above. This plan shall include provisions for requiring other users of ~~ExxonMobil's~~ the facilities or property in the canyon to contribute to the costs of the studies.

Prior to any power cable installation work adjacent to the conduit, ~~ExxonMobil~~ the permittee shall perform a pre-installation marine biological survey of the nearshore project area. 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. A final report shall be submitted to the responsible agencies within 30 days of completion of the pre-installation survey. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

~~ExxonMobil~~ The permittee shall, within 90-days of the completion of the Offshore Power Cable Repair 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

XIV-2. Corral Creek Buffer Zone

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall, in consultation with the State Department of Fish and ~~Game~~ Wildlife, the California Regional Water Quality Control Board, and the Director of the Planning and Development Department, establish a buffer zone along Corral Creek in order to protect the biological productivity and water quality of the stream. The buffer zone shall include all riparian vegetation and shall be established in consideration of soil type and stability, how surface water filters into the ground, slope adjacent to the stream, and location of the 100-year flood plain boundary.

This buffer zone shall constitute a minimum setback from Corral Creek within which no development, other than roads, pipeline crossings and drainage structures shall occur. During construction, this area shall be fenced to prevent disturbance.

XIV-3. Revegetation, Weed Control, and Erosion Control Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a Revegetation, Weed Control and

Erosion Control Plan, which implements the procedures identified in the FEIS/R and Supplements, and includes:

- a) Provisions to minimize Santa Ynez Unit project impacts to riparian, oak woodland, and chaparral vegetation particularly at the Corral Creek crossings and above the Vaqueros/Rincon contact;
- b) Provisions to revegetate all temporarily disturbed areas, using locally obtained native plant material obtained from the area being revegetated or immediately adjacent to this area;
- c) Provisions to restore riparian habitat areas which have been permanently changed to another use as a result of the project on a two-to-one ratio based on area, either onsite or offsite;
- d) Procedures for replacing all trees necessarily removed due to the Santa Ynez Unit project development with similar plants propagated from the plants removed, or those of the same species that are immediately adjacent to these plants;
- e) Implementation, maintenance and monitoring procedures and schedules;
- f) Criteria for assessing successful revegetation and restoration efforts.

The plan submitted prior to approval of the Final Development Plan need not include great detail on the items listed above, but must include a schedule for compliance with the more detailed aspects of the plan.

XIV-4.Determination of Additional Mitigation Measures by Planning and Development Department

At any time, if the Director of the Planning and Development Department determines that additional reasonable measures should be taken by ~~ExxonMobil~~ the permittee to mitigate significant avoidable detrimental effects to the flora and fauna of the property, ~~ExxonMobil~~ The permittee shall, at its own expense, implement those measures.

XIV-5.Creek Road Crossings - Fish and Wildlife Movement

Corral Creek and Las Flores Creek road crossings shall provide for wildlife movements along the creek. The crossings shall also provide for fish movements if deemed necessary by the California Department of Fish and ~~Game~~ Wildlife. (Modified December 3, 1994)

XIV-6.Additional Block Valves at Creek Crossings

Additional block valves at stream crossings shall be installed as deemed necessary by the Director of the Planning and Development Department and the SS&RR Committee on the basis of the FEIS/R and Supplements analyses.

XIV-7a. Marine Biology Impact Reduction Plan

Prior to approval of any Coastal Development Permits for nearshore or offshore activities, ExxonMobil shall submit and obtain approval of a site-specific Marine Biology Impact Reduction Plan to mitigate impacts to biologically important marine resources due to offshore construction as identified in the FEIS/R and supplements. The plan shall be approved by a committee consisting of representatives from the California Coastal Commission, the California Department of Fish and ~~Game~~ Wildlife and the County Planning and Development Department.

The plan shall consist of procedures to determine the location of important biological resources, such as hard bottom habitats, and options to avoid these resources, including minimizing construction corridor width and bundling of pipelines. It shall also include measures designed to minimize turbidity and its associated impacts. The plan shall also include a construction schedule designed to avoid harbor seal breeding, whale migration, and critical kelp harvest seasons.

Based on the Marine Biology Impact Reduction Plan, the County may require ~~ExxonMobil~~ the permittee to perform a post-construction survey to determine the actual impact of construction on marine resources. The survey would be specific to those areas where particular habitats were to be avoided during construction, as detailed in the Marine Biology Impact Reduction Plan. Side-scan sonar surveys would be accepted for this purpose unless the areas to be investigated render such surveys inappropriate. If required, the results of this survey shall be submitted to the Planning and Development Department within one year of the completion of offshore construction activities.

Should the post-construction survey be required, compensation may be deemed necessary to mitigate impacts resulting from construction activities which are over and above those anticipated by the Marine Biology Impact Reduction Plan. The compensation, if required, shall be determined by the County upon consultation with the California Coastal Commission and the California Department of Fish and ~~Game~~ Wildlife based upon the results of the post-construction survey.

XIV-7b. Marine Mammal Monitoring Plan

~~ExxonMobil~~ The permittee shall implement an agency-approved Marine Mammal Monitoring Plan (MMMP) during cable retrieval and installation activities. The MMMP shall include the following elements:

1. 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.
2. 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.
3. The observers shall have the appropriate safety and monitoring equipment to conduct their activities (including night-vision equipment).
4. 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.
5. ~~ExxonMobil~~ The permittee 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.
6. 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~~ the permittee's project management shall be responsible for ensuring that the OPSR MMMP is implemented.
7. 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 MMMP 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.

XIV-8. Vessel Corridor Marking Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Planning and Development Department for approval a plan for marking corridors through the kelp beds and fishing areas in the vicinity of any piers or fishing grounds in Santa Barbara County to be used during the construction and operation phases of the project. Size of the corridors shall be minimized to reduce kelp and fishing area impacts. Any project related boat using these piers shall use the corridors to cross the kelp beds and fishing areas. This plan

shall be prepared in conjunction with and in compliance with an overall industry-wide offshore oil service vessel traffic lane program with monitoring via the Oil/Fisheries Liaison Office.

~~ExxonMobil~~ The permittee shall cooperate with the Santa Barbara Channel Vessel Traffic Corridor program as set forth by the Joint Committee of oil industries and commercial fisheries representatives. The corridors shall be reduced to 150 ft. in width through historical kelp bed resource areas as identified in the FEIS/R. ~~ExxonMobil~~ The permittee shall demonstrate, upon demand from the County, that the beds beyond the 150-foot corridor remain intact. County may impose additional restrictions on vessel traffic to protect the kelp beds, if the corridor is not maintained.

XIV-9. Construction Corridor Limits

~~ExxonMobil~~ The permittee shall limit the width of the construction disturbance corridor through all riparian habitats to the extent feasible. In Environmentally Sensitive Habitats or other areas where trees or other habitats, including but not limited to lower Corral Creek, are to be avoided within the approved corridor, ~~ExxonMobil~~ the permittee shall ensure contractor compliance with this condition by marking and/or fencing those areas to be avoided. All vehicular traffic, storage of equipment and excessive foot traffic associated with construction within the sensitive habitat but outside the ROW shall be prohibited, except for ingress and egress along the access road. The construction ROW shall be routed to avoid trees to the maximum extent feasible. When this is not possible, dying or diseased trees shall be removed preferentially over healthy trees. Where tree removal is unavoidable, ~~ExxonMobil~~ the permittee shall implement the procedures under the supervision of the monitoring biologist.

XIV-10. Prevention of Livestock in Riparian Corridors

~~ExxonMobil~~ Sable shall prevent domestic livestock from entering the riparian corridors on ~~ExxonMobil~~ SYU property, except at necessary designated crossings.

XIV-11. Above-Ground Pipeline Assessment

In order to reduce biological impacts to riparian trees and stream biota, ~~ExxonMobil~~ the permittee shall submit to the Planning and Development Department for approval prior to issuance of any Land Use Permits or Coastal Development Permits for pipeline construction an assessment of the advantages and disadvantages of installing all pipelines above-ground between Corral Creek crossings #2 and #3, as identified in the FEIS/R and Supplements. The pipeline corridor width shall be minimized through the use of techniques such as stacking the pipelines vertically. The Planning and Development Department shall specify the environmentally preferred alternative of pipeline construction, and shall permit that alternative subject to SS&RR Committee review.

XIV-12. Modification of Containment Structure at Corral Creek

In order to provide for the protection of marine resources in the event of a major onshore spill, ~~ExxonMobil~~ the permittee shall modify the existing containment structure at Corral Creek crossing #1 so as to reduce the time it takes to close the gate to five minutes or less, subject to review by the System Safety and Reliability Review Committee.

XIV-13. Blasting Limitations

Blasting associated with pipeline installation shall be avoided when rare/endangered seabirds or mammals or any cetaceans are in the vicinity of the blasting location. ~~ExxonMobil~~ The permittee and its contractors shall make every reasonable effort to determine the presence or absence of such species prior to blasting.

XIV-14. Sensitive Species Training

Onshore: ~~ExxonMobil~~ The permittee shall include awareness training for its contractors of the sensitive species located in Corral Creek. The training shall include a description of the species, protection status under the law, the potential range of movement, and what to do in the event one is found within the construction area. This training shall be incorporated into the pre-construction meeting(s) with construction personnel to perform the work. Agency representatives shall be invited to attend the meeting(s).

Offshore: ~~ExxonMobil~~ The permittee 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. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project).*

XIV-15. Dynamic Positioning Vessel

~~ExxonMobil~~ The permittee shall implement the Offshore Power Cable Repair and Enhancement Project using a dynamic positioning vessel to lay cables from shore to Platform Heritage and between Platforms Harmony and Hondo. *(Added February 19, 2003, Offshore Power Cable Repair & Enhancement Project.)*

XIV-16. Anchoring Plan

~~ExxonMobil~~ The permittee 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. **Plan Requirements:** The plan shall include:

1. A list all of the vessels that will anchor during the project and the number and size of anchors to be set;

2. 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 and that all anchors shall be set a minimum of 250 feet (75 meters) from active pipelines and power cables;
3. Descriptions of navigation equipment that would be used to ensure anchors are accurately set and of the anchor handling procedures that would be followed to prevent or minimize anchor dragging; and,
4. A requirement to be included in appropriate contracts for the Offshore Power Cable Repair Project that contractors shall, whenever feasible, use appropriate installation techniques and procedures described in the Anchoring Plan that will minimize or avoid environmental impacts such as turbidity and anchor scarring.
(Added February 19, 2003, Offshore Power Cable Repair & Enhancement Project.)

XIV-17. Additional Mitigation of Cable Laying Impacts

Along with the measures described in the Anchoring Plan required by Condition XIV-16 above, ~~ExxonMobil~~ the permittee shall avoid and/or minimize sediment disturbance and impacts to benthic resources and hard bottom habitat during implementation of the Offshore Power Cable Repair and Enhancement Project through adherence to the following measures:

1. ~~ExxonMobil~~ The permittee shall cast sand excavated at or near the conduit, via a hose, at least 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.
2. During the cable lay operations associated with the Offshore Power Cable Repair and Enhancement Project, ~~ExxonMobil~~ the permittee shall require contractors to utilize a remotely operated vehicle (ROV) to monitor and videotape selected portions of the installation activities. If the ROV observes a rocky outcrop, the ROV shall assist the DP vessel in adjusting its route to avoid such a feature, whenever it is feasible to do so. If previously unidentified hard-bottom areas are observed, the cable route shall be adjusted, as necessary and with agency approval, to avoid resources. Activities that shall be videotaped with a copy provided to the responsible agencies include cablelaying along the route approximately 4-5 miles (6.4-8 km) from shore, in approximately 250-500 feet (75-150 meter) water depth. Additional activities to be videotaped may be identified during project implementation by the appropriate regulatory agency.
3. ~~ExxonMobil~~ The permittee 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 ExxonMobil~~ the permittee shall ensure that the anchors or operations are adjusted, 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~~ the permittee's safety requirements.

4. ~~ExxonMobil~~ The permittee shall develop a restoration and restoration-monitoring plan within 90 days of the submission of the post-installation survey required by Condition XIV-1, 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 CDFGW 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.
5. ~~ExxonMobil~~ The permittee 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.
6. If a non-listed abalone(s) (red, black, pink or green) is detected within 75 feet of the conduit terminus during the time of the pre-installation marine biological survey, ~~ExxonMobil~~ the permittee shall contact NMFS and shall have a qualified biologist move the abalone pursuant to procedures reviewed and approved by MMS, NMFS, CDFGW, and SBC or the agencies with jurisdiction agree to another appropriate alternative.
7. ~~ExxonMobil~~ The permittee 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.
8. If a white abalone(s) is detected within 75 feet of the conduit terminus during the time of the pre-installation marine biological survey (see Condition XIV-1), ~~ExxonMobil~~ the permittee shall halt project activities in the nearshore area until any individual(s) have been relocated or the agencies with jurisdiction agree to another appropriate alternative.
9. ~~ExxonMobil~~ The permittee shall perform a pre-installation abalone survey of the nearshore project area within 14 days of any installation work near the

conduit. The scope and methodology of the survey shall be submitted for review and approval to SBC, SLC, MMS, CDFG and NMFS prior to implementation. If a white abalone is identified during the pre-construction survey, ~~ExxonMobil~~ the permittee shall contact NMFS immediately. Preliminary survey results shall identify all species (red, pink, black, green and white) in the nearshore area and be submitted to agencies prior to any installation work. The final report shall be submitted within 30 days of completion of the survey. *(Added February 19, 2003, Offshore Power Cable Repair & Enhancement Project.)*

XIV-18 Eelgrass Surveys and Methodologies

~~ExxonMobil~~ The permittee 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 the start of the OPSR project.

~~ExxonMobil~~ The permittee 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 project. The final report shall be submitted within 60 days of completion of the eelgrass post-installation survey.

~~ExxonMobil~~ The permittee shall submit copies of all surveys and/or mitigation plans to NOAA Fisheries. *(Added February 19, 2003; Offshore Power Cable Repair and Enhancement Project)*

XV. NOISE CONTROL

XV-1. Noise Monitoring and Control Plan

Prior to the approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall file with the Director of the Planning and Development Department a Noise Monitoring and Control Plan which has been approved previously by the Director of the Department of Health Care Services, the Director of the Planning and Development Department and the Director of Parks. The plan shall describe the best efforts ~~ExxonMobil~~ the permittee shall take to reduce the noise impacts of the project both during construction and operation of the project. The noise control program shall apply to project related activities onshore and offshore within the three mile limit including the vicinity of the El Capitan State Beach Park and the Ellwood Pier. The approved plan shall be implemented by ~~ExxonMobil~~ Sable and shall be followed until temporarily suspended or deemed no longer necessary by the Planning and Development Department. The plan shall include provisions to ensure that items 2 through 8 below are included: *(Modified May 4, 1994; II-2 Review)*

XV-2. Ambient Noise Survey

Prior to construction, noise monitors and recorders shall be installed at points along the shoreline of the El Capitan State Beach Park, at the landfall of the Ellwood Pier, at the property boundary, near UCSB and Goleta Beach, and at other points determined to be impacted by the Health Care Services Director. As other projects which add to the noise impacts associated with this project (e.g. other offshore oil projects), obtain permits from Santa Barbara County, they may be required to reimburse ~~ExxonMobil~~ the permittee on a pro-rata basis.

XV-3. Noise Level Limits

Except for motor vehicles and motorized construction equipment, all facilities shall be designed, constructed, operated and maintained such that sound levels do not exceed 70 dBA at or beyond the property line, as measured on the "A" weighted scale at slow response on approved sound level measuring instruments. The facility shall comply with all standards established in the Noise Element of the Comprehensive Plan and the Article III Zoning Ordinance. No residents shall be subjected to greater than a 9 dB increment above baseline ambient noise level. Noise level at the periphery of graded pads associated with the facilities shall not exceed, as feasible, 70 dBA to reduce impacts to wildlife. The best available technology, muffling equipment and landscaping measures shall be used to minimize noise impacts.

XV-4. Additional Noise Limits

During the construction and operation phases, project related noise at the El Capitan State Beach Park, the landfall of the Ellwood Pier, and any impacted persons within the vicinity of the pier or other points to be determined by the Health Care Services Director to be impacted shall be limited to 65 dBA between the hours of 7:00 a.m. and 10:00 p.m., and 50 dBA between the hours of 10:00 p.m. and 7:00 a.m., consistent with the County Noise Element and the Article III Zoning Ordinance. Blasting shall be limited to the hours between 7:00 a.m. and 7:00 p.m. and directional charges shall be used to minimize noise.

XV-5. Helicopter Noise Control and Overflight Routes

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Director of the Health Care Services Department and the Director of the Planning and Development Department procedures that ~~ExxonMobil~~ the permittee will take to minimize noise impacts from helicopters. The procedures, to be approved by Planning and Development Department, shall be developed in consultation with appropriate community groups and shall specify overflight routes to be taken to minimize noise impacts to the community and other feasible measures. ~~ExxonMobil~~ The permittee shall direct its contractors to abide by the helicopter procedures and shall take reasonable corrective action if complaints arise concerning the use of helicopters.

XV-6. Non-Radio Communication Restrictions

Non-radio communication audible to the general public shall not occur between the shore and project related offshore boats unless specifically required by law.

XV-7. Nighttime Restrictions

Where reasonable, as determined by the Director of Health Care Services and the Director of the Planning and Development Department, noise generating project activities shall be restricted between the hours of 10:00 p.m. and 7:00 a.m. If complaints arise concerning activities occurring during these hours, ~~ExxonMobil~~ the permittee shall take additional feasible steps to reduce the noise levels or further restrict the offending activity.

XV-8. Supply Boat Noise Control

Project related crew and supply boats shall not cause noise impacts along the Santa Barbara coastline. The noise control plan shall include vessel routes, and equipment commitments necessary to reduce noise impacts onshore.

XVI. GROUNDWATER MANAGEMENT

XVI-1. Groundwater Management Plan

Prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall file with the Director of Planning and Development Department a Groundwater Management Plan approved by the Director of the Planning and Development Department and the Director of Health Care Services. The plan shall provide for baseline monitoring, including the establishment of safe yield of the watershed; construction and operation phase monitoring; establishment of pumpage limits, water table decline limits, and baseline water quality parameters; and a description of remedial actions which shall be taken by ~~ExxonMobil~~ Sable if the limits, parameters, or safe yield are exceeded.

The Groundwater Management Plan also shall include a determination, based on results from the monitoring program and streamflow measurements, of the degree to which groundwater withdrawals could reduce streamflow in Corral Creek due to induced infiltration. The Groundwater Management Plan shall include monitoring of wells and springs in Refugio Canyon, Corral Canyon, and the El Capitan area. A discussion of remedial actions shall include but will not be limited to the construction of recharge areas compatible with the surrounding habitat and the construction of a supplemental water system such as a desalination plant if determined to be necessary by the County. The County shall require appropriate remedial action in the event that safe yield is exceeded or projected to be exceeded or any groundwater levels are adversely affected.

XVI-2. Well Interference Study

Prior to approval of the Final Development Plan, a well interference study showing that the project proposed rate of water consumption will not have an adverse impact on wells on adjacent parcels shall be reviewed and approved by Environmental Health Services.

XVII. SURFACE WATER QUALITY MANAGEMENT

XVII-1. Surface Water Monitoring

Prior to approval of a Final Development Plan, ~~ExxonMobil~~ the permittee shall file with the Director of the Planning and Development Department a Surface Water Quality Management Program approved by the Director of the Planning and Development Department and Director of Health Care Services. The program shall provide for baseline water quality sampling and analysis prior to construction and plans for detecting the location and degree of project related chemical changes in water quality during both construction and operation of the project.

The program shall include scheduled measurements of sedimentation during the grading period and measurements thereafter of appropriate parameters, including sediment, based on the chemical characteristics of materials handled on site which enter surface waters by unauthorized release including but not limited to leach field seepage. All sampling and analysis shall be performed by an independent state certified analytical laboratory with hazardous waste testing capabilities. Sedimentation reports shall be submitted during the grading period and thereafter to the Director of the Planning and Development Department and Director of Health Care Services and to ~~ExxonMobil~~ the permittee. The program should describe what steps shall be taken if contaminant levels in Corral Creek rise above specified thresholds approved by Environmental Health Services and the Regional Water Quality Control Board, including immediate notification of the Director of the Planning and Development Department and Director of Health Care Services. ~~ExxonMobil~~ Sable shall demonstrate that they will comply with all regulations prohibiting the discharge of hazardous wastes.

XVII-2. Uncontaminated and Contaminated Water Discharge

Uncontaminated surface water which does not contact processing and storage facility areas, may be discharged directly into Corral Creek, subject to County Environmental Health Services and Regional Water Quality Control Board approval. Surface water which contacts processing and storage facility areas shall be treated to standards approved by the County Environmental Health Services and Regional Water Quality Control Board before being discharged into Corral Creek.

XVII-3. Future Pipeline Mitigation Plan

Prior to issuance of the Land Use Permit or Coastal Development Permit for pipeline installation, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a plan to minimize impacts associated with future pipeline construction in the Las

Flores Canyon area. At a minimum, the plan shall address the following possible methods to reduce impacts:

- a. arrangement of simultaneous construction or shadow construction with other companies;
- b. engineering of pipe placement within the onshore right of way to minimize incremental widening of the initial construction corridor during subsequent pipeline projects;
- c. completing corridor preparation work (e.g., blasting, installing pipe racks, installing stream-spanning structures) in such a manner as to accommodate future pipelines with minimum environmental disturbance;
- d. coordinating timing and design of revegetation plans to promote effective revegetation by minimizing unnecessary duplication of efforts.

Based on the results of this plan the Planning and Development Department may require that such techniques and mitigations be used.

XVII-4. Sewage Treatment Plant Assessment

In order to minimize the impacts of effluents in Corral Creek from the proposed leach field, prior to approval of the Final Development Plan, ~~ExxonMobil~~ the permittee shall submit to the Planning and Development Department for approval an assessment of the advantages and disadvantages of installing a small-scale sewage treatment plant onsite, and of moving the leach field to a location further south, in the mouth of Corral Canyon.

XVIII. OCEAN OUTFALL

XVIII-1. Deep Well Injection Feasibility Plan

Prior to the issuance of any Land Use Permit or Coastal Development Permit for pipeline installation, ~~ExxonMobil~~ the permittee shall obtain Planning and Development Department approval of a plan which discusses the feasibility of injecting produced water into onshore and/or offshore wells. Depending on the results of this study, the Planning and Development Department may require injection of produced water. If the Planning and Development Department does not require reinjection, then ~~ExxonMobil~~ the permittee may be required to redesign the diffuser and disposal facilities to increase initial dilution to the satisfaction of the Planning and Development Department.

XVIII-2. Ocean Water Quality

Offshore: ~~ExxonMobil~~ The permittee shall provide analytical 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 of the J-tubes.

Nearshore: ~~ExxonMobil~~ The permittee shall work with the Central Coast Regional Water Quality Control Board (CCRWQCB) by providing samples of the material within the nearshore conduit and, if required by the CCRWQCB, submit a Low Threat Permit application in order to receive permission to conduct conduit flushing operations. (*Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.*)

XVIII-3. DELETED

XVIII-4. Ocean Discharge Monitoring

~~ExxonMobil~~ The permittee shall monitor the effluent from the ocean discharge in accordance with National Pollutant Discharge Elimination System (NPDES) permit requirements and a plan approved by the Director of the Planning and Development Department (P&D) to verify the modeling projections of dilution ratios and receiving water quality. ~~ExxonMobil~~ The permittee shall demonstrate to the satisfaction of the P&D through worst-case seasonal (winter) monitoring conducted prior to initial produced water discharge, after one year of operation discharge and, if directed by P&D, after three years of operation discharge under specified conditions within the natural range of oceanographic conditions, that the predicted dilutions of the redesigned outfall and disposal facilities were achieved. This plan shall be submitted to and receive approval from P&D and shall describe how water quality modeling projections will be verified. This plan, for both the pre- and post-discharge sampling, shall include but not be limited to a methodology for sampling the chemical and physical characteristics of effluent just prior to discharge, sampling receiving water quality at the projected mixing zone, sampling receiving water quality at least 1000 meters east and west of Platform Harmony, and determining physical oceanographic characteristics at the diffuser depths and all sampling sites. This model verification shall be a one-time assessment by ~~ExxonMobil~~ the permittee. ~~ExxonMobil~~ The permittee shall submit copies of all monitoring reports to P&D.

XIX. ABANDONMENT

XIX-1. Abandonment Procedures and Performance Bond

When averaged (arithmetic mean) operational throughput of oil and gas processing facilities, storage, or transportation facilities over any twelve (12) consecutive month period is at or below 3 percent of the maximum permitted operating capacity, the County shall review the permits at a duly noticed public hearing to determine if facility abandonment or facility modifications are appropriate, and if the site should be rezoned or redesignated in the Comprehensive Plan. If such a determination is made, ~~ExxonMobil-Sable~~ shall remove any and all abandoned facilities constructed under this permit, excavate any contaminated soil, recontour the site, and revegetate the site in accordance with a County approved Abandonment Plan within one year of such determination.

~~ExxonMobil~~ Sable shall post a performance bond or other security device acceptable to County Counsel to ensure compliance, or continue to pay property taxes as assessed during project operation until site restoration is complete, as determined by the County.

XIX-2 Offshore Power Cable Facilities Abandonment

~~ExxonMobil~~ The permittee shall remove the replacement power cables and other facilities installed as part of the Offshore Power Cable Repair and Enhancement Project and the remaining failed Cable C in their entirety at the end of the SYU project life. Application for removal shall be submitted to appropriate federal, state, and local agencies within one year of ceased production unless an extension is granted. Full cable removal shall occur within one year of obtaining discretionary permits unless an extension is granted.

As part of its facility-wide abandonment application at the end of the SYU life, ~~ExxonMobil~~ the permittee shall submit a Recycling Feasibility Analysis for agency review and approval for the cable installed in state waters and onshore during the Offshore Power Cable Repair and Enhancement Project. *(Added February 19, 2003; Offshore Power Cable Repair & Enhancement Project.)*

ATTACHMENT B-2
CONDITIONS OF APPROVAL
POPCO GAS PLANT FDP PERMIT NO. 93-FDP-015 (AM03)

CONDITIONS OF APPROVAL

**POPCO GAS PLANT EXPANSION
Final Development Plan (93-FDP-015) and
Conditional Use Permit Revision (74-CP-11RV1)
Annual Throughput Increase (93-DPF-015RV01)
POPCO Synergy Project (93-FDP-15RV02)
Daily Throughput Increase (93-DP-015AM03)
(Modified on June 17, 2002)**

(Modified on October 30, 2024 with the Change of Operator and Guarantor to Sable Offshore Corp)

These conditions of approval have been revised to list the new owner, guarantor, and operator, and remove all previous owners, guarantors, and operators that no longer serve such role. Text that has been added is shown in underline, and text that has been removed is shown in ~~strikeout~~.

Note: The following is a complete set of conditions for the POPCO Gas Plant. New or modified condition language recommended for the ExxonMobil/POPCO Synergy Project appears as bold and strike through text.

**POPCO GAS PLANT EXPANSION
CONDITIONS OF APPROVAL
93-FDP-015, 74-CP-11(RV1) 93-DPF-015(RV01), & 93-FDP-015 (RV02)**

November 2, 1994

(As modified September 29, 1995)

(As modified March 24, 1997)

(As modified August 25, 1999)

(As modified July 25, 2001)

(As Modified October 30, 2024 with the Change of Operator and Guarantor to Sable Offshore Corp)

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A. GENERAL

- Owner:** Pacific Offshore Pipeline Company, a California corporation and wholly owned subsidiary of ~~Exxon Mobil Corporation~~ Sable Offshore Corporation (Sable), is the currently listed ~~sole~~ owner of the POPCO facilities.
- Operator:** ~~Pacific Offshore Pipeline Company and ExxonMobil Production Company ("ExxonMobil"), a division of Exxon Mobil Corporation, are the approved operators of the facilities. ExxonMobil has day to day operational responsibilities under a Continuing Services Agreement with POPCO. Sable is the currently listed Operator of the facility.~~
- Guarantor:** ~~Pacific Offshore Pipeline Company~~ Sable is the currently listed Guarantor for the facilities.
(Adopted July 2, 2003, pursuant to Sec. 25B-4 of the Santa Barbara County Code.)

A-1. Project Description

This Final Development Plan, 93-FDP-015 as revised on August 25, 1999 (RV01), July 25, 2001 (RV02) and June 17, 2002 (AM03) and Conditional Use Permit (CUP) approval, 74-CP-11 RV1 (collectively referred to as the "FDP"), is based upon and limited to the project described in the FDP application including subsequent approved modifications, the EIR project description including subsequent additions, CEQA analysis and current conditions of approval as set forth below. This FDP supersedes the previous permits as listed in condition A-19 of this permit.

In summary, the project description is as follows (see 94-EIR-002, application 93-FDP-015 and 93-FDP-015(RV01) for a complete project description):

- Expansion of the existing POPCO gas processing facility to enable the processing of an annual average inlet (raw) gas rate of 75 MMSCFD and a daily maximum of 75 MMSCFD inlet (raw) gas on any given day. **At no point over the course of the day may more than 80 MMSCFD of gas be processed through the gas plant. In addition, the maximum daily rate of 80 MMSCFD is allowed only under the existing facility configuration as of May 2002 (i.e., pre-Process Synergy configuration). Upon commencement of the Process Synergy Project, the maximum daily rate reverts to 75 MMSCFD.**

The expansion shall be accomplished as follows:

- Addition of a liquid oxygen system including a storage tank (LOX system) to the Sulfur Recovery Unit;
- Addition of twenty-four additional pieces of equipment to the facility (listed in Attachment D to the October 5, 1994 staff report for the expansion project);
- Changing the solvent used in the sour gas treating process if hydrogen sulfide (H₂S) concentrations approach the design basis of the plant.

In order to accommodate the gas plant expansion, the volume of sour gas transported to POPCO's gas processing facility via the 12" offshore-to-onshore pipeline will increase. The pipeline is limited to a physical design capacity of 90 MMSCFD. With the expansion, the pipeline could transport up to 75 MMSCFD of sour gas for processing at POPCO on a stream-day basis, plus 15 MMSCFD of sour gas to ~~Exxon's~~ the Stripping Gas Treating Plant, via the existing sour gas interconnect pipeline, for a total throughput of 90 MMSCFD.

POPCO shall obtain a new or modified permit, or substantial conformity determination prior to undertaking any of the following activities which may, in the judgment of the County, result in significant changes to the impacts of the project evaluated by the County: 1) pipeline or plant modifications; 2) changes in pipeline

throughput; and, 3) introduction of gas, raw or treated, to the pipeline or processing plant from sources other than the Santa Ynez Unit.

The project description for the Process Synergy Project is revised as follows (see 00-ND-25, application 93-FDP-15 (RV02) for a complete project description):

- **Processing of SYU acid gas at POPCO Sulfur Recovery Unit.**
 - **New acid gas piping from SYU to POPCO Sulfur Recovery Unit.**
 - **New bypass line around POPCO Sulfur Recovery Unit.**
 - **Processing of POPCO Tail Gas at SYU Tail Gas Cleanup Unit.**
 - **New tail gas piping from POPCO to SYU Flexsorb Tail Gas Cleanup Unit.**
 - **Removal of POPCO Stretford Tail Gas Cleanup Unit from service.**
 - **Decommissioning of two POPCO process steam boilers.**
 - **New steam and steam condensate piping between POPCO and SYU Cogeneration Plant.**
 - **New byproduct hydrocarbon gas piping from POPCO to SYU recovery system**
 - **Routing of POPCO wastewater to SYU wastewater treating system.**
- (Modified July 25, 2001; 93-FDP-015 (RV02))**

A-2. Grounds for Permit Modification or Revocation

Failure to abide by and faithfully comply with any conditions for the granting of this permit shall constitute grounds for the modification or revocation of this permit.

A-3. Court Costs

POPCO agrees as a condition of the issuance and use of this permit to defend at its sole expense any action brought against the County by a third party challenging either its decision to issue this permit or the manner in which the County is interpreting or enforcing the conditions of the permit. POPCO shall reimburse the County for any court costs and attorneys fees which the County may be required by a court to pay as a result of such action where POPCO defended or had control of the defense of the suit. County may, at its sole discretion, participate in the defense of any such action, but such participation shall not relieve POPCO of its obligation under this condition.

A-4. Cost of Implementing and Enforcing Conditions

The County's permit compliance program for oil and gas projects requires each permit holder to fund County monitoring of each permit holder's compliance efforts. This condition, along with Condition C-1, shall serve as implementation of the EIR Mitigation Monitoring Program in 94-EIR-002 for 93-FDP-015 and 74-CP-11RV1. POPCO agrees to participate in this permit compliance program and to fund all reasonable expenses incurred by the County and/or County contractors for permit condition implementation, reasonable studies, and emergency response directly and necessarily related to monitoring and enforcement of these permit conditions and applicable County ordinances. POPCO shall provide a deposit for these expenses and shall reimburse County within 30 days of invoicing by County.

A-5. Failure To Comply

In the event that POPCO fails to comply with any order of the Santa Barbara County Administrator or the Board of Supervisors issued hereunder or any injunction of the Superior Court, it shall be liable for a civil penalty for each violation to the extent imposition of such civil penalty is authorized by applicable laws, rules, or regulations.

Said civil penalty shall be in addition to POPCO's obligation, if any, to reimburse the County of Santa Barbara (and others) for actual damages suffered as a result of POPCO's failure to abide by the conditions of this permit or by the orders of the County Administrator, the Board of Supervisors, or any court of competent jurisdiction.

A-6. Access to Records and Facilities

As to any condition which requires for its effective enforcement the inspection of records or facilities by County or its agent, POPCO will make such records available or provide access to such facilities upon reasonable notice from County. County agrees to keep such information confidential where permitted by law and requested by POPCO in writing.

A-7. Compliance With Final Development Plan Conditions

The procedures, operating techniques, design, equipment and other descriptions (hereinafter procedures) described by POPCO in: (1) its FDP application to the County 93-FDP-015/74-CP-11RV1, and in subsequent clarifications and additions to that application; (2) this Final Development Plan 93-FDP-015 and Conditional Use Permit 74-CP-11RV1; and (3) as described in 94-EIR-002 (including the existing POPCO facility project description) and any subsequent environmental review, are incorporated herein as permit conditions and shall be required elements of the project. Since these procedures were part of the project description which received environmental analysis, a failure to include such procedures in the actual project could result in significant unanticipated environmental impacts. Deviations from the project description, environmental review or conditions of approval may require further environmental review and a modification to 93-FDP-015 and/or 74-CP-011RV1. Therefore, modifications of these procedures will not be permitted without a determination of substantial conformity or a new or modified permit. The use of the property and the size, shape, arrangement and location of buildings, structures and landscaped areas shall be in substantial conformity with the approved Final Development Plan 93-FDP-015 and Conditional Use Permit 74-CP-11RV1 and approved modifications to it.

A-8. Authority For Curtailment

In addition to the authority to enforce and secure compliance with the provisions of this permit under the Article III Santa Barbara County Zoning Ordinance, the County Administrator, or in his/her absence a designated appointee, may order that curtailment of activities is required to protect the public health and safety. Said action may include, but is not limited to, ordering temporary, partial or total facility shutdown.

Such an order shall be made only in the event that the County Administrator has reasonable and probable cause to believe that continued unrestrained activities of permittee will likely result in or threaten to result in danger to public health, welfare, or safety, or in the environment and provided such activities can be expected to continue or recur unless operations are in whole or in part shut down or reduced pending the necessary corrections.

Before issuing any curtailment order, the County Administrator shall set a time for hearing and shall give written notice of the time and place of the hearing and of the alleged threatening activities or violations. Such notice shall be received by the person in charge of the operation of the facility at least 24 hours before the hearing at which time there will be an opportunity for all concerned parties to present evidence regarding the alleged violations. The notice may be served in person or by certified mail.

In the event the County Administrator determines that there is an imminent danger to the public health and safety resulting from violations, he/she may summarily order the necessary curtailment of activities without hearing and such order shall be obeyed upon notice of same, whether written or oral. At the same time that notice of the order is conveyed, the County Administrator shall set a date, time and place for a noticed public hearing and review of said order as soon as possible which date shall be no later than 48 hours after such order is issued or served. Said hearing shall be conducted in the same manner as a hearing on prior notice. After such hearing, the County Administrator may modify, revoke, or retain the emergency curtailment order.

Any order of the County Administrator may be appealed to the Board of Supervisors within three working days after such order is made.

If such appeal is not filed with the Board of Supervisors, the County Administrator's order becomes final. If there is an appeal, the order of the County Administrator shall remain in full force and effect until action is taken by the Board of Supervisors. The decision of the Board of Supervisors shall be a final Administrative Action. Such decision shall not preclude POPCO from seeking judicial relief.

Once POPCO has shown that the conditions of violation no longer exist and are not reasonably likely to recur, the County Administrator shall modify the curtailment order at a public hearing, giving 24 hours notice to all parties, to account for such compliance and shall entirely dissolve the order when it is shown that all of the violations have been corrected and are not likely to recur.

A-9. Conditions Separately Remain In Force

In the event that any condition contained herein is determined to be invalid, then all remaining conditions shall remain in force.

A-10. Conflicts Between Conditions

In the event that any condition contained herein is determined to be in conflict with any other condition contained herein, then where principles of law do not provide to the contrary, the condition most protective of public health and safety and of natural environmental resources shall prevail to the extent feasible.

A-11. Submittal of As Built Drawings

Within one year after initial start-up of the expanded gas plant, POPCO shall submit as-built drawings of the entire facility to County. POPCO shall submit as many sets of drawings (up to ten sets) as requested by the Planning and Development Department.

POPCO shall submit as-built Piping and Instrumentation Diagrams (P&IDs) to the County Planning & Development Department, Building & Safety Division, within 90 days of Synergy Project start-up. (Modified July 25, 2001; 93-FDP-015 (RV02))

A-12. Owner and Operator Liability

The owner and the operator of the facility shall be jointly and severally liable without regard to fault for all legally compensable damages or injuries suffered by any property or person that result from or arise out of any gas, water spillage, fire, explosion, odor, or air pollution, in any way involving oil or gas or the impurities contained therein or removed therefrom and which arises out of construction or operation of ~~POPCO's~~ the project facilities. For the purpose of this condition, the "facility" shall be deemed to include all facilities described and approved pursuant to 93-FDP-015 and 74-CP-11RV1 and any subsequent, approved revisions.

This condition shall not inure to the benefit of any of the owners of the facility, including the United States Government. This declaration of strict liability and the limitations upon it shall be governed by the applicable law of California on strict liability. POPCO shall indemnify, defend and hold harmless the County, its officers, agents, and employees, from any and all claims, demands, costs, expenses, including attorneys fees, judgments or liabilities arising out of the location of the facility.

A-13. Injunctive Relief

In addition to any administrative remedies or enforcement provided hereunder, the County may seek and obtain temporary, preliminary, and permanent injunctive relief to prohibit violation of the conditions set forth herein or

to mandate compliance with the conditions herein. All remedies and enforcement procedures set forth herein shall be in addition to any other legal or equitable remedies provided by law.

A-14. Permit Violations

Any person, firm or corporation, whether as a principal, agent, employee, or otherwise, found to be in violation of any provisions or conditions of this ordinance or permits, shall be punishable as set forth in the applicable section of the Article III Zoning Ordinances of the Santa Barbara County Code.

Each and every day during any portion of which any violation of this Article or the rules, regulations, orders, or permits issued thereunder, is committed, continued, or permitted by such person, firm or corporation shall be deemed a separate and distinct offense.

A-15. Authority To Change Responsible Agency

The Santa Barbara County Board of Supervisors shall have the authority, in a noticed public hearing, to specify or change the Santa Barbara County Department responsible for any conditions contained herein.

A-16. Alternative Mitigation If Condition Invalidated

In the event that any condition imposing a fee, exaction, dedication or other mitigation measure is challenged by the project sponsors in an action filed in a court of law or threatened to be filed therein which action is brought in the time period provided for by Code of Civil Procedures Section 1094.6 or other applicable law, this approval shall be suspended pending dismissal of such action, the expiration of the limitation period applicable to such action, or final resolution of such action. If any condition is invalidated by a court of law, the entire project shall be reviewed by the Planning Commission and no approval shall be issued unless substitute feasible mitigation conditions/measures are imposed.

A-17. "POPCO" Definition

The term "POPCO" shall be understood to apply to the Pacific Offshore Pipeline Company of California dba POPCO and/or any other owner or operator of these permitted facilities unless such a meaning would be inappropriate.

A-18. Subsequent Additional Mitigation

All plans, procedures, programs, demonstrations, letters of commitment, as detailed in the Final EIR and subsequent modifications of this permit, including supplemental environmental documents, and the above referenced plans, programs, procedures, demonstrations, realignments and letters prepared pursuant to this permit are incorporated herein and have the force and effect of a permit condition. The remedies available to the County upon applicants failure to comply with such plans, procedures, etc. include but are not limited to those remedies which are available to the County upon POPCO's failure to comply with a permit condition.

A-19. Previous Permits Superseded

POPCO agrees in accepting the Land Use Permit or any other authorization to proceed with construction under this Final Development Plan (93-FDP-015) for the POPCO Gas Plant Expansion, that the following previously issued permits are hereby superseded by this 93-FDP-015. These permits are: Ordinance 2686 (74-RZ-001); 74-CP-31; Phase I Precise Plan (75-DP-27); Phase II Precise Plan (79-DP-23); and, 88-DP-11.

A-20. Final Development Plan and Conditional Use Permit Approval Expiration

Approval of the Final Development Plan and Conditional Use Permit shall expire five (5) years after approval by the Planning Commission, or Board of Supervisors, unless prior to the expiration date, substantial physical construction has been completed on the development or a time extension has been applied for by the applicant. The Planning Commission or Board of Supervisors may, upon good cause shown, grant a time extension for one year.

A-21. Applicability of Conditions To Construction and Operations

These permit conditions are intended to apply to POPCO during the construction, operation and abandonment of the permitted facilities. The term "operations" shall be understood to encompass both construction and operation phases unless such an interpretation would be clearly inconsistent with the meaning and intent of the particular permit condition.

A-22. Future User Compliance

Any future user, owner, or operator (hereinafter "user") of POPCO's Las Flores Canyon facilities shall be required to demonstrate to County's satisfaction that the significant impacts to the County caused by the construction, installation or operation of any of the future user's project facilities have been and will be fully mitigated to the extent feasible.

Prior to its execution, POPCO shall submit to Planning and Development a copy of any proposed agreement with potential future users of the facilities. Planning and Development shall review the proposed agreement to determine that it includes adequate provisions to require the user's compliance with the permit conditions. Such proposed agreement or portions of it may be withheld from public review as a confidential document upon written request and justification from POPCO.

Prior to using POPCO's facilities, each future user must receive from the Planning Commission a determination of substantial conformity with all relevant procedures and permit conditions applicable to POPCO's facilities. For this determination the Planning Commission must be able to make a finding that the significant impacts to the County caused by construction, installation, operation or use of any project facilities by each future user have been and will be fully mitigated to the maximum extent feasible, as recommended by the original POPCO project EIS/EIR, 94-EIR-002, or any appropriate supplemental environmental document.

A-23. Throughput Limitations

The POPCO gas processing facility shall be limited to the following processing limitations:

- a. A maximum inlet rate of **80** MMSCFD of sour gas containing a maximum of 7000 ppm (0.7%) H₂S to be processed on any given day;
- b. A maximum inlet rate of 60 MMSCFD of sour gas containing a maximum of **20,000 ppm (2.00%)** H₂S to be processed on any given day;
- c. Maximum production of 60 long tons on any given day of molten sulfur;
- d. A maximum processing of 75 MMSCFD of inlet (raw) gas on an annual average basis (calendar day).

The offshore-to-onshore sour gas pipeline shall be limited to a maximum throughput of 90 MMSCFD; 75 MMSCFD of sour gas to be processed at POPCO's facility and 15 MMSCFD of sour gas to be transported to ~~Exxon's~~ the Stripping Gas Treating Plant via the sour gas interconnect. (Modified August 25, 1999, 03-DPF-

015RV01; July 25, 2001, 93-FDP-15RV02; June 17, 2002, 93-DP015-AM03; October 20, 2003, 93-DP015-AM04).

B. PERMIT REVIEW

B-1. Construction Review by SSRRC

Prior to issuance of land use permits, for the Expansion project and for subsequent modifications to its gas processing facility, POPCO shall submit to the Planning and Development Department and to the System Safety and Reliability Review Committee (established by Condition P-1) relevant construction plans, engineering drawings and supporting text demonstrating compliance with the relevant conditions of this permit. Land use permits shall not be issued until County has reviewed and approved the appropriate submittal, consistent with the SSRRC review specified in Conditions P-1 and P-2. Within 15 days of submittal, County shall deem the submittal complete, or incomplete and provide a list of deficiencies. Within 15 days of deeming the submittal complete, County shall give written notice of approval of construction plans, or indicate in writing conditions which have not been met, or notify the permittee that the SSRRC review shall be completed within a period of time specified by the SSRRC, based on sound engineering practices. When such conditions have been met, land use permits may be issued. The SSRRC may require post-construction inspections or review of as-built drawings, as necessary to confirm consistency with the approved submittals.

B-2. Condition Effectiveness Review and Imposition of New Conditions

If at any time County determines that these permit conditions are inadequate to effectively mitigate significant environmental impacts caused by or potentially caused by the project, or that recent proven technological advances could provide substantial additional mitigation, then additional reasonable conditions shall be imposed by the Planning Commission to further mitigate these impacts. Imposition of such conditions shall only be considered and imposed as part of a comprehensive review of the project conditions. The County shall conduct a comprehensive review of the project conditions and consider adding reasonable conditions which incorporate proven technological advances three years after permit issuance and at appropriate intervals thereafter. The County may also conduct a comprehensive review of conditions which are not effectively mitigating or will not effectively mitigate impacts at any appropriate time and, based upon that review, impose additional reasonable conditions to effectively mitigate such impacts. Upon appeal and written request of POPCO to the Board of Supervisors, the Board of Supervisors shall determine whether the new condition required is reasonable considering the economic burdens imposed and environmental benefits to be derived.

B-3. Condition Scheduling Conflicts

In the event that scheduling requirements among or between conditions in this permit (or with this permit and conditions imposed by other agencies) conflict with respect to timing, the Planning & Development Department (in consultation with other departments and agencies as appropriate) shall resolve such conflict.

B-4. Authority to Begin Construction

Prior to commencing any construction activities associated with this FDP in Santa Barbara County, POPCO the permittee shall obtain a letter from the Director of Planning & Development indicating that all conditions which require approval prior to construction, as specified by this Final Development Plan, have been satisfied.

B-5. Authority to Begin Operations

After construction and prior to start-up, POPCO shall obtain a letter from the Director of Planning & Development indicating that all conditions which require approval prior to start-up, as specified by this Final Development Plan, have been satisfied. Start-up, for purposes of this condition, is defined as the introduction of oxygen into the sulfur plant.

C. MANAGEMENT AND MONITORING

C-1. Environmental Quality Assurance Program

POPCO shall obtain Planning and Development Department (P&D) approval of an Environmental Quality Assurance Program (EQAP) prior to issuance of the Land Use Permit for the expansion project. This EQAP shall encompass construction and operations of the POPCO facilities, and shall describe the steps POPCO will take to assure compliance with these conditions. The EQAP is intended to provide a monitoring and reporting framework for compliance with all conditions, programs and plans specified by these conditions. As such, it will become a comprehensive reference document for the County, other agencies, and the public regarding the POPCO project.

The EQAP shall include:

- a. all plans, as specified by these conditions, relevant to construction and operation of the permitted facilities. If separate plans exist, they may be referenced rather than physically included in the EQAP submittal;
- b. provisions for an onsite environmental coordinator(s) with overall responsibility for monitoring POPCO's compliance with the environmental conditions of this permit. These coordinators shall be under contract to the County and funded by POPCO;
- c. provisions for ensuring contractor knowledge of and compliance with these conditions;
- d. provisions for the submittal to P&D of monthly reports throughout construction and annual summary reports during operations unless more frequent reporting is deemed necessary by P&D. Upon receipt of compliance reports, P&D shall advise POPCO of what additional compliance items require reporting prior to the next report. These reports shall describe:
 1. Project status, including but not necessarily limited to:
 - i. extent to which construction has been completed,
 - ii. the origins of the construction labor force
 - iii. the rate of production/throughput during operation,
 - iv. environmental planning and implementation efforts, and
 - v. any revised time schedules or timetables of construction and/or operation that will occur in the next one-year period.
 2. Permit condition compliance, including but not necessarily limited to the results of the specific mitigation requirements identified in these conditions and compliance plans.
 3. Results and analyses of all data collection efforts being conducted by POPCO pursuant to these permit conditions.

C-2. 24-Hour Emergency Contact

Prior to issuance of the Land Use Permit, POPCO shall provide to Planning and Development, the Office of Emergency Services and the Fire Department the current name and position, title, address, and 24-hour telephone numbers of the person in charge of the facility, person in charge of construction, and other representatives who shall receive all orders and notices, as well as all communications regarding matters of condition and permit compliance at the site and who shall have authority to implement a facility shutdown pursuant to Condition A-8(*Administrative correction from A-14 reference to A-8 made July 1, 1996*) in this Final Development Plan or other County ordinances.

There shall always be such a contact person(s) designated by the permittee. One contact person shall be available 24 hours a day in order to respond to inquiries received from the County, or from anyone in case of an emergency.

If the address or telephone number of POPCO's agent should change, or the responsibility be assigned to another person or position, POPCO shall provide to Planning and Development the new information within 24 hours of the effective date of such change.

C-3. POPCO To Provide Copies of Permits to P&D

POPCO shall furnish to Planning and Development copies of all local, state, and federal permits relative to the gas processing facility within 30 days of receipt by POPCO.

C-4. Capacity and Throughput Reports

POPCO shall report to Planning and Development the source(s), volumes, rates, and, where applicable, the H₂S concentration of: (1) inlet gas transported to the gas plant via the 12-inch offshore-to-onshore pipeline; (2) gas processed at the gas plant; (3) gas transported to ~~Exxon's~~ the Stripping Gas Treating Plant via the sour gas interconnect pipeline; and, (4) treated gas transmitted to for sales to the Gas Company. In addition, POPCO shall report the volumes, number of truck trips, and source/destination of trucks transporting: (5) natural gas liquids (NGLs); (6) molten sulfur; and (7) liquid oxygen (LOX). Reports shall be made on at least a monthly and annual basis and supporting documentation will be provided upon request from Planning and Development.

D. FACILITY DESIGN

D-1. Drainage

An escape path shall be incorporated in the road along the easterly side of the project site so that any surplus water not accommodated by the culvert will have a means of escape without running through the project area. The escape path shall be designed for 50 percent of the 100 year flow.

D-2. Storage of Equipment and Materials

Permanent open storage of equipment and materials shall be screened from public view. No above-ground storage structures shall be built/installed without the issuance of a corresponding land use permit.

D-3. Energy Conservation Measures

Throughout the project life, as equipment is added or replaced, cost-effective energy conservation techniques shall be incorporated into project design.

D-4. Water Conservation Measures

The design of all new and/or modified onsite facilities shall incorporate the use of cost-effective water-conserving fixtures.

D-5. Flaring Report

If any emergency flaring occurs during start-up or operations of the expanded gas plant, POPCO shall submit to APCD and Planning and Development within seven (7) working days a report describing the reasons for flaring and corrective measures taken to be approved by APCD, in coordination with Planning and Development.

D-6. Solid Waste Disposal

Solid waste generated on the site shall be transported to a County-approved landfill.

E. AIR QUALITY

E-1. Statement of Scope

Nothing contained herein shall be construed to permit a violation of any applicable air pollution law, rule, or regulation.

E-2. Authority To Construct

Prior to initiation of construction, including grading, of any facilities approved pursuant to this Final Development Plan, POPCO shall obtain an Authority to Construct permit from the County Air Pollution Control District.

E-3. Construction Plan

Prior to the issuance of the land use permit, POPCO shall submit to the Planning and Development Department a plan, approved by the Air Pollution Control District (APCD), which includes the following measures:

- a. During grading, earth moving, excavation, and transportation of cut or fill materials, water trucks or sprinkler systems are to be used in sufficient quantities to prevent dust from leaving the site and to create a crust after each day's activities cease. At a minimum, this would include wetting down such areas in the late morning and after work is completed for the day and whenever wind exceeds 15 miles per hour. Reclaimed water shall be used whenever **possible. (Modified on July 25, 2001; 93-FDP-015 (RV02))**
- b. After clearing, grading, earth moving, or excavation is completed, the entire section of disturbed soil shall be treated immediately by watering or revegetating or spreading soil binders to minimize dust generated on the site from leaving the site until the area is paved or otherwise restored to its previous state.
- c. During construction, water trucks or sprinkler systems are to be used as appropriate to keep all areas of vehicle movement damp enough to prevent dust from leaving the site. At a minimum, this will include wetting down such areas in the late morning and after work is completed for the day. Increased watering frequency will be required whenever the wind speed exceeds 15 mph.
- d. Any soil stockpiled for more than two days shall be covered, kept moist, or treated with soil binders to prevent dust generation.
- e. To reduce emissions of NO_x and CO, construction equipment engines shall be inspected and properly maintained.
- f. To reduce emissions of sulfur dioxide and PM₁₀, low sulfur diesel fuel (not more than 0.2 weight percent sulfur) shall be used.
- g. Electric equipment is recommended whenever feasible.
- h. POPCO shall instruct construction personnel to carpool to the extent feasible.

- i. Materials delivery to the site shall be coordinated to consolidate deliveries. Construction and delivery schedules shall be maintained and updated every week. These updated schedules shall be provided to the Planning and Development Department weekly.
- j. POPCO shall designate a person or persons to monitor the dust control program and to order increased watering as necessary, to prevent transport of dust off-site. The monitor shall perform duties on holiday and weekend periods when work may not be in progress. The name and telephone number of such persons shall be provided to the OEC and APCD prior to issuance of the Land Use Permit.

E-4. Fugitive ROC Emissions

Fugitive ROC emissions from the new expansion project components shall be controlled and/or offset as necessary to fully comply with APCD Rules and Regulations. ROC emission offsets required by APCD Rules and Regulations shall be demonstrated as available prior to issuance of the Authority to Construct (ATC) permit and shall be in place prior to operation of the expanded facility.

In the event that emission offsets of ROC emissions from new expansion components are not required by APCD Rules and Regulations, POPCO shall still be required to offset and/or control the ROC emissions of new expansion project components to less than 25 pounds per day. If offsets are required in this case, they shall be: (1) obtained according to APCD permitting requirements; (2) demonstrated as available prior to issuance of the ATC permit; and, (3) in place prior to issuance of the APCD Permit to Operate.

E-5. Sulfur Recovery Unit Failure

Based on worst-case scenario air dispersion modeling, emergency flaring of acid gas associated with a failure of the expanded Sulfur Recovery Unit could result in an exceedance of the State one-hour SO₂ ambient air quality standard.

Prior to operation of the expanded facilities, POPCO shall have in place, in accordance with all APCD Rules and Regulations, a system or operation procedure which mitigates to the extent feasible the predicted SO₂ ambient air quality exceedance.

E-6. Facility Shall Emit No Detectable Odor

All facilities permitted under this Final Development Plan shall be designed, constructed, operated and maintained such that no odor shall be detectable at any point along or outside the exterior boundary of the Exxon property.

E-7. Permanent Shutdown of POPCO Equipment

As part of the ~~ExxonMobil~~ SYU/POPCO Synergy Project, POPCO shall drain, flush, purge, isolate and abandon in place the boilers and associated feedwater treating systems. POPCO may only use this equipment in the future if the following are met:

- (a) Secure replacement Emission Reduction Credits (ERCs) meeting APCD Regulation VIII requirements prior to any use of the boilers.
- (b) Obtain APCD permits prior to the use of the boilers.

(Modified on July 25, 2001; 93-FDP-015 (RV02))

F. CONSOLIDATION

F-1 Terms For Shared Facility Use

At any time, as requested by the County, POPCO shall submit to the Director of Planning and Development, terms, including financial terms, under which other producers in the area would be permitted to enter and use the facilities for gas processing, transportation, or storage, or ancillary facilities. POPCO shall submit the requested information to the Director of Planning and Development within 30 days of such request or by a date mutually agreed upon by POPCO and the Director of Planning and Development. If these terms are determined to be unacceptable to potential users of the facility or pipeline, and if agreement cannot be reached, the County shall reserve the right to impose additional conditions as described above to amend the permit. The intent of this condition is to ensure the efficient and maximum use of POPCO's gas processing facility and offshore-to-onshore sour gas pipeline.

F-2 Consolidation

POPCO shall make its facilities, including pipelines, and lease area available for consolidation and co-location of oil and gas facilities on a non-discriminatory and equitable basis. County retains the right to verify that the uses of POPCO's facilities and lease area are conforming with County policies regarding consolidation and to impose additional permit conditions where necessary to assure these policies are being fulfilled.

Consistent with the approved policies regarding the consolidation of oil and gas facilities including pipelines, in the event that the need for such facilities is demonstrated by other developers to the County, POPCO shall make available to such other developers any excess capacity of the POPCO project facilities. In the event that sufficient excess capacity does not exist within the POPCO project facilities, POPCO shall make space within its facility areas available to other developers for the construction of additional permitted facilities related to gas processing. In the event that such necessary facilities are not permissible pursuant to the County's consolidation policies, POPCO shall reduce its throughput on a pro-rata basis to accommodate such other developers.

The intent of this condition is to ensure the efficient and maximum use of oil and gas-related facilities in the County in order to avoid the construction and operation of redundant facilities.

G. VISUAL RESOURCES

G-1. Board of Architectural Review

All facility design, including buildings, structures, landscaping and signs, shall be in accordance with plans approved by the County Board of Architectural Review (BAR), Section 35-329 of the Article III Zoning Ordinance.

G-2. Exterior Lighting

No unobstructed or unshielded beam of exterior lighting shall be directed toward any area outside the exterior boundaries of Exxon's current property boundary on which POPCO's facilities are located. Any new lighting installed by POPCO along roadways within the project shall utilize low intensity, ground level, shielded fixtures.

G-3. Glare

No glare or other radiation resulting from facilities constructed pursuant to this Development Plan, other than lighting fixtures and, emergency gas flares, shall be detectable at any point along or outside the exterior boundaries of ~~Exxon's~~ the SYU's current property boundary on which POPCO's facilities are located.

G-4. Visible Emissions

POPCO will ensure that all normal facility operations will be conducted in such a manner so as not to generate offensive odors, fumes, noxious gases or liquids or visible emissions of smoke.

G-5. Removal of Debris

During the life of the project, POPCO will remove any and all above ground debris located on the POPCO facility area, including any gas pipelines, tanks, pumps and separators no longer in use and/or not intended to be used in the future.

H. TERRESTRIAL BIOLOGY

H-1 Biological Resource Protection Plan

To reduce construction and operations-related biological and surface water impacts identified in the EIR, 94-EIR-002, POPCO shall implement a Biological Resource Protection Plan approved by Planning and Development prior to issuance of the Land Use Permit for the expansion project. This Plan shall include measures to avoid and/or reduce construction and operations-related biological and water quality impacts associated with:

- a. potential oil, gas, and/or fuel spills from transportation and construction vehicles/equipment, and from facility upsets, which could affect Las Flores and/or Corral creeks. Spill prevention, spill response, and habitat restoration measures shall be identified in the Plan and shall include low-impact clean-up strategies for Las Flores and Corral creeks;
- b. facility and wildland fires, including fire hazard reduction and biological resource protection measures. The fire hazard reduction component of POPCO's Plan shall also be approved by the County Fire Department prior to issuance of the Land Use Permit;
- c. potential adverse air emissions; and,
- d. cumulative water quality impacts from facility operations.
- e. Identification of POPCO site drainage patterns,
- f. Identification and source of chemicals and fluids which could spill, and identification of chemicals specific to POPCO-operations.

The Biological Resource Protection Plan shall be consistent with ~~Exxon's~~ the SYU spill restoration plan, Surface Water Quality Management Plan, Vegetation Management Plan, and Annual Biological Survey Plan, and shall provide for canyon-wide resource protection and restoration.

I. GROUND WATER

I-1. Ground Water Management Plan

Prior to issuance of the Land Use Permit, POPCO shall obtain approval from Planning and Development of a Ground Water Management Plan (GWMP) which identifies feasible water-conserving measures. These measures shall be implemented by POPCO as described in the approved plan and shall include but not be limited to, more efficient/reduced use of utility washdown, process and domestic water use, and management of water well extractions within safe yield limits consistent with ~~Exxon's~~ the SYU GWMP. These measures shall be identified in either a canyon-wide GWMP or a POPCO-specific plan that is consistent with ~~Exxon's~~ the SYU GWMP.

J. SURFACE WATER

J-1. Surface Water Quality Monitoring Plan

Prior to issuance of the Land Use Permit, POPCO shall obtain approval of a Surface Water Quality Monitoring Plan which includes monitoring stations and measures appropriate to POPCO's operations. These measures shall be identified in either a canyon-wide Surface Water Quality Monitoring Plan (SWQMP) or a POPCO-specific plan that is consistent with ~~Exxon's~~ the SYU SWQMP.

K. TRANSPORTATION/CIRCULATION

K-1. Construction Transportation and Parking Plan

Prior to issuance of the land use permit, POPCO shall develop and submit to the Planning and Development Department for review and approval, a Construction Transportation and Parking Plan showing adequate on and/or off site parking for all private vehicles belonging to employees, contractors, and other project-related personnel. (Mitigation Measure T-1) The Plan shall include but not be limited to the following components:

- a. Provision of worker parking within ~~Exxon's~~ the SYU's existing developed area(s).
- b. Use of ~~Exxon's~~ the SYU Goleta Parking Lot.
- c. Use of lower canyon area previously used ~~by Exxon~~ for worker parking.
- d. Bussing of workers from the parking area(s) to the POPCO job site(s).
- e. Scheduling of truck traffic transporting materials to and from the POPCO site to avoid arriving or departing during school bus hours and other measures arising from POPCO's discussions with the Vista Del Las Cruces School.
- f. The applicant shall establish and implement a policy of car, van or small bus pooling, as necessary, to facilitate employee commuting from outside the Santa Barbara Housing Market Area.

If POPCO proposes to accommodate construction-related parking on land located outside POPCO's lease area, POPCO shall demonstrate to Planning and Development property owner approval. The County approved Construction Transportation and Parking Plan shall be approved and in place prior to any construction activities relative to the expansion project.

K-2. Emergency Site Access

In the event that the primary access road to Las Flores Canyon is rendered impassable or inadvisable for use, or if additional access is required during an emergency event, POPCO shall use the Emergency Access Road (EAR) ~~recently~~ constructed ~~by Exxon~~ under County permit 92-FDP-011cz. Prior to start-up of the expanded facility, POPCO shall demonstrate to the County its authority to use EAR under the aforementioned conditions.

L. NOISE

L-1 Construction Noise Limits

Construction activities for all project facilities shall be limited to the hours between 7:00 a.m. and 5:30 p.m. (93-FDP-015(SC01); *September 29, 1995*) Monday through Friday, unless POPCO receives a prior waiver from Planning and Development. During the construction and operation phases, project related noise near all

sensitive receptors identified in the EIR shall be limited to 65 dba between the hours of 7:00 a.m. and 10:00 p.m., and 50 dba between the hours of 10:00 p.m. and 7:00 a.m., consistent with the County Noise Element, Coastal Zoning Ordinance and Article III Zoning Ordinance.

L-2. Operational Noise Limits and Minimization Requirements

Except for motor vehicles and motorized construction equipment, all facilities shall be designed, constructed, operated and maintained such that sound levels during operation do not exceed 70 dBA at or beyond the property line, as measured on the "A" weight scale at slow response on approved sound level measuring instruments. The facility shall comply with all standards established in the Noise Element of the Comprehensive Plan, Article III Zoning Ordinance and the Coastal Zoning Ordinance. No nearby residents shall be subjected to greater than a 9 dBA increment above the baseline ambient noise level, nor greater than a 3 dBA increase in day-night sound levels. The best available technology, including but not limited to muffling equipment, sound barriers, and landscaping measures shall be used to minimize noise impacts caused by POPCO.

L-3 Equipment Noise Limits

All construction and operation-related equipment shall be operated and maintained to minimize noise generation, ground vibration, and to avoid interference with radio or video communications.

L-4. Annual Noise Level Monitoring

In order to ensure that operational noise does not substantially increase the ambient noise for adjoining areas, POPCO shall continue to monitor noise levels on an annual basis. If noise levels are shown to exceed 70 dBA at or beyond the current ~~Exxon~~ property line, POPCO should implement appropriate mitigation measures as required by Planning and Development to reduce the exceedance(s).

POPCO shall participate in a canyon-wide noise monitoring and mitigation program with other facility operators in Las Flores Canyon. This plan shall be reviewed and approved by Planning and Development prior to issuance of the Land Use Permit.

(Section "M" is not used.)

N. FIRE PROTECTION

N-1. Fire Protection Plan

All POPCO facilities shall have fire protection features installed in accordance with the provisions of the POPCO Fire Protection Plan (FPP). All facilities, construction activities, process equipment, and fire protection equipment shall comply with the standards of the National Fire Protection Association, American Petroleum Institute, Uniform Fire Code as adopted in Chapter 15, Community Life Safety, of the Code of Santa Barbara County, and the Santa Barbara County Fire Department.

Prior to issuance of the Land Use Permit, POPCO shall receive Fire Department approval of a revised FPP which addresses both construction and operation of the expanded gas plant. The existing FPP shall be reviewed jointly by the Fire Department and POPCO for its applicability to the expanded gas processing plant. Any changes to the FPP required as a result of this review shall be implemented by POPCO.

The revised FPP also shall include, but may not be limited to, discussions of the following:

- Onsite firefighting equipment
- Fire and gas detection

- Access
- Vegetation management
- Employee training and safe practices
- Process control and monitoring analysis
- Drainage and containment
- Inspection (including County inspectors) and maintenance practices

N-2. Fire Water Pump

Prior to issuance of the Land Use Permit, POPCO shall receive approval from the Fire Department and Systems Safety and Reliability Review Committee (SSRRC) for the addition of a third fire water pump. This pump shall be designed to provide 3,500 gpm at 135 psi.

Since this measure would result in a higher system demand, confirmation that the firewater system could maintain a supply of fire water for at least 4 hours shall be made and evidence acceptable to the Fire Department provided, prior to the submittal of plans for the addition of the pump to the Fire Department and SSRRC, as described above.

In lieu of installation of a third fire water pump, POPCO may elect to demonstrate that sufficient flow capacity can be achieved through other means, such as a canyon-wide fire protection system (N-3 below). If such demonstration is made, addition of the third fire water pump would not be required.

N-3. Canyon-wide Fire Protection System

Prior to issuance of the Land Use Permit, and as a component of the revised Fire Protection Plan required under condition N-1 above, POPCO shall conduct a hydraulic analysis to determine the benefit of emergency connections between the separate fire water systems within Las Flores/Corral canyons and whether such modifications to the fire water distribution system would adversely affect either system. This analysis shall also determine if additional flow capacity can be achieved through such fire protection system and whether such emergency connections should normally remain closed in order to isolate each firewater system from the other.

If the hydraulic analysis demonstrates the benefit of emergency connections between the separate fire water systems, ~~POPCO the permittee shall provide the Fire Department and Planning & Development with documentation of an approved agreement between POPCO and Exxon for the canyon-wide fire protection water system and shall implement such system.~~

N-4. Vegetation Management Plan

Prior to issuance of the Land Use Permit, POPCO shall obtain approval from Planning & Development and the Fire Department of a Vegetation Management Plan which identifies measures for the development and implementation of a vegetation/fuel bed management program. These measures shall be identified in either a canyon-wide Vegetation Management Program ~~in cooperation with Exxon~~ or a POPCO-specific plan that is consistent with ~~Exxon's~~ the SYU's Vegetation Management Program. The Vegetation Management Program shall be described in the revised Fire Protection Plan required under condition N-1 above.

(Section "O" is not used.)

P. SYSTEM SAFETY

P-1. Risk Mitigation

A Risk Management Program to substantially reduce the risks of project-related accidents which may result in loss of life and/or injury, and damage to property and/or the natural environment shall be administered by the

Santa Barbara County Planning & Development Department with the assistance of the Systems Safety and Reliability Review Committee (SSRRC).

The System Safety and Reliability Review Committee shall consist of a representative from the County Air Pollution Control District, the County Fire Department, the Energy Division and the Building & Safety Division of the Planning and Development Department, and, on an as-needed basis, the Office of Emergency Services and Environmental Health Services. Other County departments, as deemed necessary by the SSRRC, may be consulted. All reasonable costs associated with this County review shall be borne by POPCO. POPCO shall be entitled to participate fully in the review process.

POPCO shall submit all appropriate construction plans, Process Hazards Analyses (PHA), and Hazard and Operability Studies (HAZOPs) to the System Safety and Reliability Review Committee (SSRRC) who may employ a third-party technical review in order to evaluate project design and help identify possible design hazards prior to issuance of land use clearances and design modifications thereafter. This review shall also evaluate all mitigation identified in the EIR. POPCO shall modify the project design to reduce the risks identified by the SSRRC. Recommendations identified for the proposed facilities shall be implemented prior to operations of the expanded facility. POPCO shall submit operating procedures for the SSRRC review and approval. Recommendations concerning operating procedures shall be adopted for the affected facilities prior to operation of the proposed facilities. In the event of a disagreement, the SSRRC may either develop alternate mitigation or request the mitigation be required by the County Planning Commission through adoption of a new or modified permit condition. The SSRRC may require as-built inspections and the submittal of as-built drawings for approval prior to the operation of any plant modifications.

POPCO shall submit a Final Process Hazard Analysis (PHA) of all components of the Synergy Project to the County System Safety and Reliability Review Committee (SSRRC) for review and comment at least 60 days prior to startup of the Synergy Project. All mitigation recommendations resulting from the PHA shall be reconciled with the final design and operating procedures and agreed to by the SSRRC.

(Modified on July 25, 2001; 93-FDP-015 (RV02))

P-2. Safety Inspection, Maintenance And Quality Assurance Program

Prior to the issuance of the Land Use Permit, POPCO shall submit a detailed Safety Inspection, Maintenance and Quality Assurance Program (SIMQAP) for all onshore and offshore facilities and pipelines which shall be implemented during construction and operations. The plan is a dynamic document and, as such, updates including new procedures, safety and maintenance technologies and processes, shall be reviewed jointly by POPCO and the SSRRC. The SIMQAP shall be revised as appropriate. The SIMQAP shall include, but not be limited to, evaluation of staffing levels for safe operation of the plant in emergency situations, establishing procedures for review of safety inspection records, regular maintenance and safety inspections, periodic safety audits, development of safety system testing protocols, training and experience standards for personnel and use of simulation techniques in training programs, inspections of all trucks carrying hazardous and/or flammable material prior to loading, monitoring of critical safety devices and systems, and review of the routing of all trucks carrying hazardous material. The SIMQAP shall be reviewed and approved by the System Safety and Reliability Review Committee prior to operation of the expanded facility. POPCO shall implement the approved plan and shall provide for involvement of the Onsite Environmental Coordinator (Condition C-1), County staff, or its consultants in all inspections as appropriate. All costs associated with this review process shall be borne by POPCO.

POPCO shall submit appropriate revisions to its SIMQAP and receive SSRRC approval prior to start-up of the Synergy Project. The revisions shall reflect process and design changes as well as inspection and maintenance modifications necessary as a result of the Synergy Project.

(Modified on July 25, 2001; 93-FDP-015 (RV02))

P-3. Emergency Response Plan

POPCO shall submit to the County an updated Emergency Response Plan (ERP) that addresses response procedures to be implemented by POPCO for accidental events that pose significant threats to public health and safety, property, or the environment.

The updated ERP shall be reviewed and approved by the County Office of Emergency Services (OES), the Fire Department, and the Planning and Development Department prior to issuance of the Land Use Permit. OES shall consult with Environmental Health Services prior to OES approval of the ERP. Approval of the ERP shall include its consistency with the County's Model Oil and Gas Industry Emergency Response Plan. POPCO shall demonstrate the effectiveness of its ERP by responding to one emergency response drill prior to operation of the expanded facility.

The ERP shall be a dynamic document and, as such, shall be jointly reviewed by the County and POPCO, and revised when warranted. Any changes shall be submitted to OES, Fire, and Planning and Development for their review and approval, prior to implementation. POPCO shall demonstrate the ongoing effectiveness of the ERP by responding to no more than two surprise drills each year which may be called by the County. If critical operations are underway, POPCO need not respond to the drill at that time but shall explain the nature of the critical operations and why response is not possible. The County may then call for an additional surprise drill in the same year.

POPCO shall revise their Integrated Emergency Response Plan as appropriate to reflect the Synergy Project changes, including communications between the two control rooms and automatic shutdown systems. The revised ERP shall be submitted to the SSRRC for review and approval prior to startup.

(Modified on July 25, 2001; 93-FDP-015 (RV02))

P-4. Funding County Emergency Response Plan

In order to assure that County emergency response procedures adequately interface with the POPCO emergency response procedures, POPCO shall provide its reasonable pro-rata share of funds to the County to implement a County Emergency Response Plan for oil and gas industry related emergencies. The County shall request funds from other oil and gas industry operators holding P-4 permit conditions (or similar requirements) to aid in funding of the County Emergency Response Plan. When available, OES shall provide POPCO with an estimate of the pro rata share of funds to be provided by POPCO and the method for allocating such costs among other operators. POPCO's participation in the Area Oil and Gas Industry ERP Mutual Aid Agreement shall be documented in a letter agreement to be approved by OES prior to operations of the expanded facility.

P-5. Hazardous Material and Waste Management Plan

Prior to start-up of the expanded facilities, POPCO shall submit a Hazardous Material and Waste Management Plan (HMWMP) to the County Office of Environmental Health Services (EHS), Fire Department and Planning & Development (P&D) Department for all facilities. The HMWMP shall be reviewed and approved by EHS, Fire, and P&D, prior to start-up of the expanded facility.

The Plan shall demonstrate compliance with the provisions of the Uniform Fire Code as adopted in Chapter 15 of the Code of Santa Barbara County and the provisions of the Health and Safety Code §25500 et seq, Chapter 6.95 Business Plan Requirements, with the exception of emergency response procedures which are complied with in Condition P-3.

The Hazardous Material and Waste Management Plan shall include but not be limited to the following:

- a. Locations and methods for storing hazardous materials and wastes.

- b. Treatment procedures, or justification where none are used, to reduce the hazardous nature of the materials before they are permitted to leave the site.
- c. Specific routes for transportation of hazardous waste materials to Class I disposal sites consistent with County policy.
- d. Letter of commitment that the materials are transferred by a carrier licensed in hazardous material transport.
- e. Letter of commitment ensuring complete accounting of intake, processing, and exit of hazardous material and wastes.
- f. Detailed description of a monitoring system to be installed, capable of detecting hazardous material and wastes that may escape from primary storage devices.
- g. A revised Hazardous Materials Business Plan which accurately reflects the revised chemical inventory of the project site to Environmental Health Services for review and approval, in accordance with the California Health & Safety Code, Chapter 6.95, Section 25,500 et seq.

The HMWMP shall be a dynamic document and, as such, shall be jointly reviewed by the County and POPCO, and revised as appropriate every three years or when warranted to incorporate new planning strategies, changes in procedures, new technologies, or changes in materials. Any changes requested by POPCO or required by the County shall be submitted to EHS, Fire, and P&D for their review and approval, prior to implementation.

P-6. NGL Pipeline and NGL Inventory Management Plan

Prior to operation of the expanded gas plant, POPCO shall construct and operate, or participate in the construction and operation of a pipeline, or use a pipeline constructed and operated by others, that connects ~~POPCO's facilities~~ the gas plant to Exxon's ~~the SYU facilities~~ for the purpose of maximizing pipeline shipment of NGLs and minimizing truck transportation and storage of NGLs at POPCO.

Prior to operation of the expanded gas plant, POPCO shall have obtained approval from the Planning and Development Department and the SSRRC of an NGL Inventory Management Plan describing its best management practices for storing NGLs so as to reduce the risks associated with NGL storage at POPCO.

In order to make the determination of the need for the study and additional mitigation identified in Condition P-11, POPCO shall have received a determination of application completeness for the NGL pipeline from the Planning and Development Department prior to issuance of the Land Use Permit for the expanded gas plant. Such application shall include a draft NGL Inventory Management Plan.

P-7. Transportation Risk Management & Prevention Program for NGLs and LOX

POPCO shall prepare and implement a Transportation Risk Management and Prevention Program (TRMPP) which meets County of Santa Barbara approval for natural gas liquids (NGLs) and for liquid oxygen (LOX) which is consistent with Board Resolution No. 93-480. The TRMPP shall provide administrative controls including but not limited to, the following:

- Strict hiring policies for drivers;
- Training for drivers;
- Prevention of drug and alcohol abuse;
- Truck speed enforcement;
- Penalties for violations;
- Improved truck design;
- Vehicle inspections;

- Vehicle maintenance;
- Emergency response;
- Unloading procedures;
- Use of DOT-rated trucks for shipping NGLs; and
- Contribution to State Route 166 CHP program.

Prior to the issuance of the Land Use Permit, POPCO shall obtain review and approval of the TRMPP from Planning and Development.

P-8. Fire Protection System at Slug Separator/Pig Receiver

In order to mitigate significant impacts identified in 94-EIR-002, POPCO shall provide 1500 gallons per minute water coverage simultaneously on any two sides of the slug separator/pig receiver area for a total of 3000 gallons per minute. This system shall provide fire protection to both the slug separator and the pig receiver to mitigate the consequence of a flammable event in these areas.

Prior to issuance of the Land Use Permit, POPCO shall obtain SSRRC review and Fire Department approval of final construction drawing(s) for the gas plant expansion which include the demonstration and/or installation of this system. The system shall be operable prior to start-up of the expanded facility.

P-9. Automatic Shutdown System

In order to reduce the amount of gas released during a leak or line rupture, POPCO shall install a high integrity automatic shutdown system in the area from the Feed Gas Water Separator (V-100 A/B) through the Main Separator (V-102 A/B).

Prior to issuance of the Land Use Permit, POPCO shall obtain review and approval from the SSRRC of final construction drawing for the gas plant expansion which include the installation of this system. The system shall be installed prior to start-up of the expanded facility.

P-10. Emergency Shutdown Device at Stabilizer Reflux Pumps

POPCO shall install an emergency shutdown device and automatic isolation valve on the suction (low pressure) of the Stabilizer Reflux Pumps in order to mitigate impacts associated with a release of flammable material from the Stabilizer Reflux Accumulator. Prior to issuance of the Land Use Permit, POPCO shall obtain review and approval from the SSRRC of final construction drawing(s) for the gas plant expansion which include the installation of this device. The device shall be installed prior to start-up of the expanded facility.

P-11. Reduction of Risk to Administration Building

If the pipeline to be built and used to accomplish the intent of Condition P-6 above would result in storage of NGLs at POPCO in more than three of the existing five storage vessels, then, prior to the issuance of the Land Use Permit, POPCO shall conduct a study approved by the SSRRC and the Planning and Development Department, to evaluate and identify measures to reduce to the maximum extent feasible, exposure to explosion overpressure impacts at the Administration Building due to the presence of the surrounding processing facilities. The study shall consider, and modify as necessary, the NGL Inventory Management Plan required by Condition P-6 to manage the volumes of NGLs to be stored in the NGL storage bullets at POPCO so as to reduce risk of explosion. POPCO shall implement specific feasible risk reduction measures identified by the study prior to operation of the expanded gas plant.

If the pipeline to be built and used pursuant to Condition P-6 above would result in storage of NGLs at POPCO in three or fewer of the five existing storage vessels, then, prior to operation of the expanded gas plant, POPCO

shall have obtained approval of the NGL Inventory Management Plan required by Condition P-6. Other requirements identified in the paragraph above shall not be required.

P-12. Separation/Barrier Between LOX System and Ignition Sources

Prior to operation of the expanded gas plant, POPCO shall reduce the risk associated with the liquid oxygen (LOX) system as described below:

(1) provide a minimum separation distance of 230 feet between the LOX storage tank and vaporizer and any potential ignition sources (e.g. combustion air intake manifolds and the sulfur pit) reduce the consequence of a large leak from the LOX tank. However, upon demonstration by POPCO to the satisfaction of the SSRRC and the Planning & Development Department that 230 feet of separation is not feasible, POPCO shall:

(2) install physical barriers surrounding the liquid oxygen tank to prevent impact from vehicular traffic and provide restrictions on maintenance activities involving crane access and administrative controls which would severely limit or prevent the lifting of heavy equipment over the liquid oxygen tank while in service.

Prior to issuance of the land use permit, POPCO shall obtain SSRRC approval of final construction drawings which depict either the 230-foot spacing (1 above) or the physical barriers (including maintenance restrictions and administrative controls) to be constructed (2 above).

P-13. Risk Management and Prevention Plan

Prior to start-up of the expanded facility, POPCO shall obtain review and approval from Environmental Health Services of a revised Risk Management and Prevention Plan prepared as required by Chapter 6.95, Article 2 of the California Health and Safety Code.

P-14. POPCO/~~Exxon~~ SYU NGL Flowline

The County's intent in approving the construction and operation of the NGL flowline from the POPCO Gas Plant to ~~Exxon~~ the SYU (93-DP-015(AM01)) is, in part, to reduce risks associated with NGL truck transport. Therefore, POPCO shall transport all NGLs from its Las Flores Canyon gas plant to ~~Exxon's~~ the SYU Stripping Gas Treating Plant via the NGL flowline pursuant to 93-DP-015(AM01). With the exception of upset conditions, or other conditions described in POPCO's approved NGL Inventory Management Plan (Condition P-6), POPCO shall receive prior written approval from the County for the transport of NGLs from its Las Flores Canyon facilities other than to ~~Exxon~~ the SYU via the NGL flowline. (*Added February 14, 1997; 93-FDP-15(SC02)*)

P-15. POPCO To Submit Final Synergy Project Design To SSRRC

POPCO shall provide final design deliverables that document the interdependence between the facilities (POPCO and ~~ExxonMobil~~ SYU) to the SSRRC for review and comment prior to startup. The documents shall include the following:

- Final Piping and Instrumentation Diagrams (P&IDs) showing operating controls;
- Maintenance program changes for the new or modified systems;
- Process controls philosophy for POPCO and ~~ExxonMobil~~ Distributed Control Systems;
- Cause/Effect logic for emergency shutdown of each individual feed (or systems) in case of an upset;
- Corrosion inspection data for turndown contactor which has been out of service;
- Confirmation of the equipment sizing basis to handle increased throughput at POPCO SRU and ~~Exxon~~ SYU TGPU;
- Preparation of operating and commissioning procedures; and,

- Operator training and cross training.

Q. ABANDONMENT

Q-1. Abandonment Determination

When annual average operational throughput of gas processing facilities over any twelve (12) consecutive month period is at or below 1.8 MMSCFD of produced gas on an average annual basis, the Planning Commission shall review this Final Development Plan at a properly noticed public hearing to determine if facility abandonment or facility modifications are appropriate. The 1.8 MMSCFD "trigger" for review of the FDP represents three percent (3%) of the maximum permitted operating capacity of 60 MMSCFD. If, in the future, the County adopts a different trigger to initiate abandonment or the review of the need for permit modifications due to very low throughput, POPCO shall comply with such County policy.

Q-2. Abandonment Procedures

Immediately following permanent shut down of the facilities permitted herein, POPCO shall abandon and restore all facility sites covered under this permit consistent with County policies on abandonment and restoration of said facilities in effect at that time. Absent any policies, POPCO shall remove any and all abandoned processing facilities and portions of the import pipeline, buried or unburied, constructed and/or operated under this permit, excavate any contaminated soil, re-contour all sites and revegetate all sites in accordance with a County approved abandonment and restoration plan within one year of permanent shut down. POPCO shall post a performance bond, or other security device acceptable to County Counsel, in an amount determined by the County.

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ATTACHMENT B-3

CONDITIONS OF APPROVAL

LAS FLORES PIPELINE SYSTEM FDP PERMIT NO. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz; 85-DP-66cz; 83-DP-25cz)

**LAS FLORES PIPELINE SYSTEM
FINAL DEVELOPMENT PLAN CONDITIONS**

88-DPF-033 (RV01)z, 88-CP-60 (RV01)

(88-DPF-25cz; 85-DP-66cz; 83-DP-25cz)

December 12, 1988

Modified May 2003

**~~(Modified on September 19, 2023 with the Change of Ownership, Change of Guarantor, and
Change of Operator for the Las Flores Pipeline System [Lines 901/903])~~**

**(Modified on October 30, 2024 with the Change of Guarantor and Operator to Sable Offshore
Corp)**

These conditions of approval have been revised to list the new owner, guarantor, and operator, and remove all previous owners, guarantors, and operators that no longer serve such role. Text that has been added is shown in underline, and text that has been removed is shown in ~~strikeout~~.

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**LAS FLORES PIPELINE SYSTEM
FINAL DEVELOPMENT PLAN CONDITIONS**

88-DPF-033 (RV01)z, 88-CP-60 (RV01)

(88-DPF-25cz; 85-DP-66cz; 83-DP-25cz)

December 12, 1988

Modified May 2003

**(Modified on September 19, 2023 with the Change of Ownership, Change of Guarantor, and
Change of Operator for the Las Flores Pipeline System [Lines 901/903])**

**(Modified on October 9, 2024 with the Change of Guarantor and Operator to Sable Offshore
Corp.**

~~The current owner and operator of record for the Las Flores Pipeline System (previously the All American Pipeline) is Pacific Pipeline Company, referred to herein as PPC. ExxonMobil Pipeline Company (EMPCo) serves as the pipeline operator. ExxonMobil Corporation is identified as sole guarantor and carries in excess of \$100 million insurance coverage, as required by the Office of Oil Spill Prevention and Response. PPC is directly wholly owned by Mobil Pacific Pipeline Company, and indirectly wholly owned by Exxon Mobil Corporation. EMPCo is directly wholly owned by Exxon Pipeline Holdings LLC, and indirectly wholly owned by ExxonMobil Corporation.~~

A. GENERAL

Owner: Pacific Pipeline Company, a wholly owned subsidiary of Sable Offshore Corporation (Sable), is the currently listed Owner of the Las Flores Pipeline System.

Operator: Sable is the currently listed Operator of the Las Flores Pipeline System.

Guarantor: Sable is the currently listed Guarantor of the Las Flores Pipeline System.

A-1. Acceptance of Permit Conditions

Acceptance of this permit shall be deemed as acceptance of all final conditions of this permit, except that PPC reserves the right to pursue any remedy for any legal violations imposed directly or indirectly by these permit conditions.

A-2. Grounds for Permit Modification or Revocation

If the Planning Commission determines at a noticed public hearing that PPC is not in compliance with any permit condition(s), pursuant to the provisions of Sec. 35-185 of Article II and/or Sec. 35-330 of Article III of the Santa Barbara County Code, the Planning Commission is empowered, in addition to revoking the permit pursuant to said section, to amend, alter, delete, or add conditions to this permit. *(modified by the Planning Commission on September 6, 2000)*

A-3. Court Costs

PPC agrees as a condition of the issuance and use of this permit to defend at its sole expense any action brought against the County by a third party challenging either its decision to issue this permit or the manner in which the County is interpreting or enforcing the conditions of the permit. PPC will reimburse the County for any court costs and attorneys fees which the County may be required by a court to pay as a result of such action where PPC defended or had control of the defense of the suit. County may, at its sole discretion, participate in the defense of any such

action, but such participation shall not relieve PPC of its obligation under this condition. County shall bear its own expenses for its participation in the action.

A-4. Costs of Implementing and Enforcing Conditions

The permittee shall make an initial deposit to a fund to permit the County to adequately implement and enforce the conditions imposed by this permit and applicable County ordinances and/or the conditions of this permit, if such a fund is established. If the Board of Supervisors determines that a reasonable enforcement fund is needed, the Director of the Planning and Development Department shall present to the Board of Supervisors and the permittee a plan for enforcement within one year from the effective date of this permit. This plan shall set forth the staffing requirements and materials necessary for such enforcement and the estimated costs thereof. This plan shall provide that all reasonable expenses incurred by the County or County contractors, for permit condition implementation, reasonable studies, and emergency response directly and necessarily related to enforcement of these permit conditions shall be reimbursed by PPC/Sable within 30 days of invoicing by County.

A-5. Civil Penalties

In the event that PPC fails to comply with any order of the Administrative Officer or the Board of Supervisors issued hereunder or any injunction of the Superior Court, it shall be liable for a civil penalty for each violation to the extent imposition of such civil penalty is authorized by applicable laws, rules, or regulations.

Said civil penalty shall be in addition to PPC's obligation, if any, to reimburse the County of Santa Barbara (and others) for actual damages suffered as a result of PPC's failure to abide by the conditions of this permit or by the orders of the Administrative Officer, the Board of Supervisors, or any court of competent jurisdiction.

A-6. Access to Records and Facilities

As to any condition which requires for its effective enforcement the inspection of construction records or records pertaining to facility operations, or the facilities themselves by County or its duly authorized agents, PPC will make all necessary records available or provide access to such facilities upon reasonable notice from County. County agrees to keep such information confidential where permitted by law and requested by PPC in writing.

A-7. Substantial Conformity

The procedures, operating techniques, design, equipment and other descriptions (hereinafter procedures) described in 83-DP-25 cz, 83-CP-97 cz, and in subsequent clarifications and additions to that application and the Final Development Plan are incorporated herein as permit conditions and shall be required elements of the project. Since these procedures were part of the project description which received environmental analysis, a failure to include such procedures in the actual project could result in significant unanticipated environmental impacts. Therefore, modifications of these procedures will not be permitted without a determination of substantial conformity or a new or modified permit. The use of the property and the size, shape, arrangement and location of buildings, structures, walkways, parking areas and landscaped areas shall be in substantial conformity with the approved Final Development Plan.

A-8. Authority for Curtailment

In addition to the authority to enforce and secure compliance with the provisions of this permit under Division 12, Coastal Zoning Ordinance of the Santa Barbara County Code and Division 7, General Regulations, Article III Santa Barbara County Zoning Ordinance, the County Administrative Officer, or in his/her absence a designated appointee, may order that curtailment of activities which is required to protect the public health and safety. Said action may include, but is not limited to, ordering temporary, partial or total facility shutdown.

Such an order shall be made only in the event that the Administrative Officer has reasonable and probable cause to believe that continued unrestrained activities of permittee will likely result in or threaten to result in danger to public health, welfare, or safety, or in the environment and provided such violations can be expected to continue or recur unless operations are in whole or in part shut down or reduced pending the necessary corrections.

Before issuing any curtailment order, the County Administrative Officer shall set a time for hearing and shall give written notice of the time and place of the hearing and of the alleged violations. Such notice shall be received by the person in charge of the operation of the facility at least 24 hours before the hearing at which time there will be an opportunity for all concerned parties to present evidence regarding the alleged violations. The notice may be served in person or by certified mail.

In the event the Administrative Officer, or in his/her absence the designated appointee, determines that there is an imminent danger to the public health and safety resulting from violations, he/she may summarily order the necessary curtailment of activities without hearing and such order shall be obeyed upon notice of same, whether written or oral. At the same time that notice of the order is conveyed, the Administrative Officer shall set a date, time and place for a publicly noticed hearing and review of said order as soon as possible which date shall be no later than 24 hours after such order is issued or served. Said hearing shall be conducted in the same manner as a hearing on prior notice. After such hearing, the Administrative Officer may modify, revoke, or retain the emergency curtailment order.

Any order of the Administrative Officer may be appealed to the Board of Supervisors within three working days after such order is made.

If such appeal is not filed with the Board of Supervisors, the Administrative Officer's order becomes final. If there is an appeal, the order of the Administrative Officer shall remain in full force and effect until action is taken by the Board of Supervisors. The decision of the Board of Supervisors shall be a final Administrative Action. Such decision shall not preclude ~~AAPLP~~ PPC from seeking judicial relief.

Once PPC has shown that the conditions of violation no longer exist and are not reasonably likely to recur, the Administrative Officer shall modify the curtailment order to account for such compliance and shall entirely dissolve the order when it is shown that all of the violations have been corrected and are not likely to recur.

A-9. Conditions Separately Remain in Force

In the event that any condition contained herein is determined to be invalid, then all remaining conditions shall remain in force.

A-10. Conflicts Between Conditions

In the event that any condition contained herein is determined to be in conflict with any other condition contained herein, then where principles of law do not provide to the contrary, the condition most protective of public health and safety and natural environmental resources shall prevail to the extent feasible.

A-11. Injunctive Relief

In addition to any administrative remedies or enforcement provided hereunder, the County may seek and obtain temporary, preliminary, and permanent injunctive relief to prohibit violation of the conditions set forth herein or to mandate compliance with the conditions herein.

All remedies and enforcement procedures set forth herein shall be in addition to any other legal or equitable remedies provided by law.

A-12. Owner/Operator Liability

The owner and the operator of the facility shall be jointly and severally liable without regard to fault for all legally compensable damages or injuries suffered by any property or person that result from or arise out of any oil, water spillage, fire, explosion, odor, or air pollution, in any way involving oil or gas or the impurities contained therein or removed therefrom and which arises out of construction or operation of PPC's facilities. For the purpose of this condition, the "facility" shall be deemed to include all facilities described and approved pursuant to 83-DP-25cz, 83-CP-97cz.

This condition shall not inure to the benefit of any of the owners of the pipeline, including the United States Government. This declaration of strict liability and the limitations upon it shall be governed by the applicable law of California on strict liability.

A-13. Facility Throughput and Source Limits

All facilities constructed under this permit shall be used only for the shipment of a maximum volume of heated crude oil demonstrated to be within the design parameters of the pipeline facilities as built. The subject volumes will be outer continental shelf (OCS) and other locally produced onshore and offshore petroleum from the Santa Barbara and Santa Maria Basins. PPC shall obtain a new or modified permit, or authority to continue operation under the existing permit prior to undertaking any of the following activities which may, in the judgment of the County, result in significant changes to the impacts on the County. Such changes could include but not be limited to: 1) major pipeline or pump station modifications; 2) major changes in pipeline throughput; 3) introduction of production to the pipeline from sources other than those described above; and 4) introduction of a different product from any source.

Other source volumes may be transported subject to a determination of substantial conformity by the Planning Commission and a finding of facts and determination that project impacts will not be increased by transporting and processing those other sources.

A-14. Pipeline Alignment

The permittee shall align the pipeline corridor from the coastal starting point to the County exit point in the western Cuyama valley according to the route approved by the County. The permittee shall locate and construct all isolation valves as identified by the final approved alignment.

A-15. Permit Violations

Any person, firm or corporation, whether as a principal, agent, employee, or otherwise, found to be in violation of any provisions or conditions of this ordinance or permits, shall be punishable as set forth in the applicable section of the Coastal Zoning Ordinance, and Article III of the Santa Barbara County Code.

Each and every day during any portion of which any violation of this Article or the rules, regulations, orders, or permits issued thereunder, is committed, continued, or permitted by such person, firm or corporation shall be deemed a separate and distinct offense.

A-16. Board of Supervisors Authority to Change County Department Responsible for Condition

The Santa Barbara County Board of Supervisors in a noticed public hearing shall have the authority to specify or change the Santa Barbara County Department responsible for any conditions contained herein.

A-17. Fees as Mitigation Measures

Should circumstances, including legal or legislative action, cause the County to lose its authority or have its authority fundamentally reduced to assess fees as a method to mitigate project-related impacts, then other feasible mitigation measures shall be imposed which will substantially lessen the significant impact formerly mitigated by the imposition of fees. Within six months of the County's loss of such authority, feasible alternative mitigation measures shall be imposed as replacement permit conditions. Alternatively, the County in a noticed public hearing must find that no feasible mitigation measures are available and that the benefits of the project outweigh the significant environmental impacts.

A-18. Payment of Attorney's Fees and Costs

Should legal action be required by either party to enforce any rights in connection with this permit the prevailing party shall be entitled to reasonable attorney's fees and costs pursuant to Civil Code 1717.

A-19. Applicability of Conditions to Construction and Operation

Unless otherwise specified, these permit conditions are intended to apply during both the construction and the operation of the permitted facilities.

A-20 Project Description

The Development Plan Revision (88-DP-33) and Conditional Use Permit Revision (88-CP-60) are based upon and limited to compliance with the project description and conditions of approval adopted for the Gaviota Creek Pipeline Lowering and Relocation Project, as documented in 00-ND-21 and the September 6, 2000 staff report. Any deviations from the project description, exhibits or conditions must be reviewed and approved by the County for conformity with this approval. Deviations may require approved changes to the permit and/or further environmental review. Deviations without the above described approval will constitute a violation of permit approval. The project description is summarized as follows:

- Relocate the existing Gaviota Creek pipeline crossing by re-burying the 30" crude oil pipeline at least 10 feet into bedrock immediately upstream from their existing crossing;

- Remove the existing, exposed pipeline segment in Gaviota Creek;
- Restore and revegetate the disturbed area; and
- Monitor the crossing to ensure erosion control and revegetation efforts are successful.

The grading, development, use, and maintenance of the property, the size, shape, arrangement, and location of structures, parking areas and landscape areas, and the protection and preservation of resources shall conform to the project description and the associated hearing exhibits and conditions of approval. The property and any portions thereof shall be sold, leased or financed in compliance with this project description and the approved hearing exhibits and conditions of approval hereto. All plans must be submitted for review and approval and shall be implemented as approved by the County. *(adopted by the Planning Commission on September 6, 2000)*

A-21

Any use authorized Conditional Use Permit Revision (88-CP-060 RV01) shall immediately cease upon expiration or revocation of this Conditional Use Permit. Any Coastal Development issued pursuant to this Conditional Use Permit shall expire upon expiration or revocation of the Conditional Use Permit. Conditional Use Permit renewals must be applied for prior to expiration of the Conditional Use Permit. *(adopted by the Planning Commission on September 6, 2000)*

A-22

Within 18 months after the effective date of Conditional Use Permit Revision (88-CP-060 RV01), construction and/or the use shall commence. Construction or use cannot commence until a Coastal Development Permit has been issued. Failure to commence the construction and/or use pursuant to a valid Coastal Development Permit shall render the Conditional Use Permit null and void. All time limits may be extended by the Planning Commission for good cause shown, provided a written request, including a statement of reasons for the time limit extension request is filed with Planning and Development prior to the expiration date. *(adopted by the Planning Commission on September 6, 2000)*

A-23

Approval of the Final Development Plan Revision (88-DP-33 RV01) shall expire five (5) years after approval by the Planning Commission, unless prior to the expiration date, substantial physical construction has been completed on the development or a time extension has been applied for by the applicant. The decisionmaker with jurisdiction over the project may, upon good cause shown, grant a time extension for one year. *(adopted by the Planning Commission on September 6, 2000)*

A-24

Before using any land or structure, or commencing any work pertaining to the erection, moving, alteration, enlarging, or rebuilding of any building, structure, or improvement, the applicant shall obtain a Coastal Development and Building Permit from Planning and Development. These Permits are required by ordinance and are necessary to ensure implementation of the conditions required by the Planning Commission. Before any Permit will be issued by Planning and Development, the applicant must obtain written clearance from all departments having conditions; such clearance shall indicate that the applicant has satisfied all pre-construction conditions. A form for such clearance is available from Planning and Development. *(adopted by the Planning Commission on September 6, 2000)*

A-25

All applicable final conditions of approval shall be printed in their entirety on applicable pages of grading/construction or building plans submitted to P&D or Building and Safety Division. These shall be graphically illustrated where feasible. *(adopted by the Planning Commission on September 6, 2000)*

A-26

The applicant shall ensure that the project complies with all approved plans and all project conditions including those which must be monitored after the project is built and occupied. To accomplish this the applicant agrees to:

1. Contact the Energy Division as soon as possible after project approval to provide the name and phone number of the future contact person for the project and give estimated dates for future project activities.
2. Contact the Energy Division at least two weeks prior to commencement of construction activities to schedule an on-site pre-construction meeting with the owner, planner, other agency personnel and with key construction personnel.
3. Contact the State Parks archaeologist one week prior to commencement of any project activities on the site, including pre-construction activities.
4. Pay fees to cover full costs of consultants and staff time and monitoring (EQAP program). In the event of a dispute, the decision of the Director of P&D shall be final. *(adopted by the Planning Commission on September 6, 2000)*

A-27

Developer shall defend, indemnify and hold harmless the County or its agents, officers and employees from any claim, action or proceeding against the County or its agents, officers or employees, to attack, set aside, void, or annul, in whole or in part, the County's approval of the Final Development Plan Revision (88-DP-33 RV01) and Conditional Use Permit Revision (88-CP-060 RV01). In the event that the County fails promptly to notify the applicant of any such claim, action or proceeding, or that the County fails to cooperate fully in the defense of said claim, this condition shall thereafter be of no further force or effect. *(adopted by the Planning Commission on September 6, 2000)*

A-28

In the event that any condition imposing a fee, exaction, dedication or other mitigation measure is challenged by the project sponsors in an action filed in a court of law or threatened to be filed therein which action is brought within the time period provided for by law, this approval shall be suspended pending dismissal of such action, the expiration of the limitation period applicable to such action, or final resolution of such action. If any condition is invalidated by a court of law, the entire project shall be reviewed by the County and substitute conditions may be imposed. *(adopted by the Planning Commission on September 6, 2000)*

A-29

Within 60 days of completion of the Gaviota Creek Pipeline Lowering and Relocation project, the permittee shall submit as-built drawings to the Energy and Building and Safety Divisions. *(adopted by the Planning Commission on September 6, 2000)*

A-30

Within 60 days of completion of the Gaviota Creek Pipeline Lowering and Relocation project, the permittee shall revise their Operations and Maintenance Manual to reflect the changes to the pipeline. Revisions shall be copied to the Energy and Building and Safety Divisions. *(adopted by the Planning Commission on September 6, 2000)*

A-31

The Gaviota Creek Pipeline Lowering and Relocation project is estimated to take a maximum of 5 weeks. If earthmoving work extends past November 1, the Energy Division shall convene a meeting between the permittee and all responsible agencies to decide on the appropriate action. If the Planning Director determines that work cannot continue due to impacts on sensitive resources (e.g., steelhead migration, red-legged frog breeding season), or the potential for increased sedimentation and erosion, work shall be suspended.

B. PERMIT REVIEW

B-1. System Safety and Reliability Review Committee (SSRRC) Review Prior to Construction

Prior to initiation of construction activity (such as ROW preparation, river crossings or pump station construction), the permittee shall submit to the System Safety and Reliability Review Committee (established by condition P-1) relevant construction drawings and supporting text demonstrating compliance with the appropriate conditions. Construction may not commence until County has reviewed and/or approved this submittal, consistent with the SSRRC review specified in Conditions P-1 and P-2. Within 15 days of submittal, County shall either give written notice to proceed with construction or indicate in writing conditions which have not been met. When such conditions have been met construction approval shall be granted.

B-2. Imposition of New and Comprehensive Review of Conditions

If at any time County determines that these permit conditions are inadequate to effectively mitigate significant environmental impacts caused by the project, or that recent proven technological advances could provide substantial additional mitigation, then additional reasonable conditions shall be imposed to further mitigate these impacts. Imposition of such conditions shall only be considered and imposed as part of the County's comprehensive review of the project conditions. County shall conduct a comprehensive review of the project conditions and consider adding reasonable conditions which incorporate proven technological advances three years after permit issuance and at appropriate intervals thereafter. A comprehensive review of conditions which are not effectively mitigating impacts may be conducted at any appropriate time. Upon written request of PPC, the Board of Supervisors shall determine whether the new condition required is reasonable considering the economic burdens imposed and environmental benefits to be derived.

B-3. Authority to Impose Feasible Mitigations

This permit is premised upon findings that where feasible, all significant environmental effects of the project identified in the EIR/EIS (State Clearinghouse No. 83110902), which occur in Santa Barbara County, will be substantially mitigated by the permit conditions. Prior to approval of the Final Development Plan, County shall review any findings that identified certain mitigation measures as being in the primary jurisdiction of another agency but are also within County's jurisdiction. County shall thereupon determine either (1) that such mitigation has or is being implemented by such other agency or (2) that such other agency and County determine such mitigation to be infeasible. If County determines that no other agency is or may be implementing such feasible mitigation measures then County may impose those feasible measures within its jurisdiction to mitigate those environmental impacts in accordance with appropriate mitigation measures identified by the EIS/R.

B-4. Coordination Plan for the Use of a Shared Pipeline Corridor

Prior to approval of the Final Development Plan, the permittee shall develop and submit to the Planning and Development Department for approval a plan to co-ordinate the placement and timing of their pipeline with SCPS's pipeline (or other potential proposals for use of the same corridor for a pipeline). Any agreements between the permittee and SCPS (or other applicant) necessary to implement this plan shall be subject to review and verification by the Planning and Development Department to assure the purpose of the plan will be achieved. The expressed purpose of this co-ordination plan shall be:

- 1) arrangement of simultaneous construction where practical;
- 2) engineering of pipe placement within the ROW to minimize incremental widening of the initial construction corridor during subsequent pipeline projects;
- 3) identification of segments where incremental widening of the ROW is constrained and alternative engineering techniques which may allow construction of subsequent pipelines (and potential limitations of future pipeline use of the ROW); and
- 4) timing and design of revegetation plans to promote effective revegetation but minimize unnecessary duplication of efforts.

Should SCPS or any other applicant abandon their pipeline project, or fail to submit a Final Development Plan prior to pipeline construction, this condition may be modified to reflect the existing situation but maintain the intent of this condition.

B-5. Resolution of Scheduling Conflicts Among Conditions of Approval

In the event that scheduling requirements among or between conditions in this permit (or with this permit and conditions imposed by other agencies) conflict with respect to timing, the Planning and Development Department (in consultation with other agencies as appropriate) shall resolve such conflict.

B-6. Cooperation with San Luis Obispo County for Pipeline Permitting

Applicant shall cooperate as necessary with San Luis Obispo County in the permitting, design, and construction of those segments of the pipeline which could affect Santa Barbara County. The intent of this condition is to ensure that potential impacts to Santa Barbara County are mitigated to the maximum extent feasible by these permit conditions, regardless of the location of the source of the impact.

B-7. P&D Authorization Prior to Construction

Prior to commencing any construction activities in Santa Barbara County, the permittee shall obtain a letter from the Director of the Planning and Development Department indicating that all conditions which require approval prior to construction, as specified by this permit, have been satisfied.

B-8. P&D Authorization Prior to Start-Up

Prior to start-up of the pipeline in Santa Barbara County, the permittee shall obtain a letter from the Director of the Planning and Development Department indicating that all conditions which require approval prior to start-up, as specified by this permit, have been satisfied.

B-9. Adequacy of Submittals to be Determined by the Planning Commission

In the event that PPC and staff cannot reach an agreement on the adequacy of any submittal required by these conditions, the matter will be brought before the Planning Commission for resolution at the earliest possible date.

C. MANAGEMENT

C-1. Environmental Quality Assurance Program (EQAP)

The permittee shall prepare an Environmental Quality Assurance Program (EQAP) for Resource Management Department approval prior to the Final Development Plan. This EQAP shall encompass both the construction and operation phases of the project, and shall describe the steps the permittee will take to assure compliance with these conditions. This plan is intended to provide a framework for all other programs and plans specified by these conditions as required prior to approval of the Final Development Plan. As such, it will become a comprehensive reference document for the County, other agencies, and the public regarding the project.

This plan shall provide for the submission to the Planning and Development Department semi-annual reports throughout construction and annual reports during operations. These reports shall describe:

- a) Project status, including but not necessarily limited to:
 - i) extent to which construction has been completed,
 - ii) the rate of production/throughput during operation,
 - iii) environmental planning and implementation efforts, and
 - iv) any revised time schedules or timetables of construction and operation that will occur in the next one year period.
- b) Permit condition compliance, including but not necessarily limited to the results of the specific mitigation requirements identified in these conditions.
- c) Results and analyses of all data collection efforts being conducted pursuant to these permit conditions.

The program shall include (or if separate plans exist, reference) all plans relevant to construction and operations of the pipeline facilities specified by these conditions.

Construction

The program shall include all plans relevant to construction activities such as the Restoration, Erosion Control and Revegetation Plan and the Cultural Resources Mitigation Plan.

The program shall include provisions for at least one managing environmental coordinator with overall responsibility, and if necessary, one onsite environmental coordinator per construction site during the construction phase. These coordinators shall be approved by and be responsible to the Planning and Development Department. PPC shall fund the coordinator(s). The number of coordinators necessary shall be determined according to the amount of simultaneous construction activity occurring in geographically separate areas. The responsibilities of the coordinator(s) are to include:

- a) on-site, day-to-day monitoring of construction activities;
- b) ensuring contractor knowledge of and compliance with all appropriate permit conditions;
- c) evaluating the adequacy of construction impact mitigations, and proposing improvements to the contractors, the permittee, and County;

- d) having the authority to require correction of activities observed to violate project environmental conditions or that represent unsafe or dangerous conditions, and having the ability and authority to secure compliance with the conditions or standards through the County Administrative Officer as described in condition A-8, if necessary;
- e) performing as contact for affected property owners and any other affected persons that wish to register observation of environmental permit violations and/or unsafe conditions, receiving any complaints, immediately contacting the permittee's onsite construction representative, verifying any such observations and developing any necessary corrective actions in consultation with the permittee's onsite construction representative;
- f) maintaining prompt and regular communication with the Planning and Development Department, Public Works Department, or other appropriate County agency, and with permittee personnel responsible for contractor performance and permit compliance.

In the event that resolution of disputes between the public and/or governmental agencies and the permittee over adherence to permit conditions is not achieved by the managing environmental coordinator, an arbitration system shall be utilized to resolve such disputes in a timely manner in order to minimize the need to halt construction activities as per conditions A-2 or A-8.

The coordinator(s) shall be thoroughly familiar with all plans and requirements set forth in the permit conditions. Prior to construction start-up, the managing coordinator shall discuss with other agency inspectors or monitoring personnel, inspection programs, areas of jurisdiction, responsibility, and define methods of avoiding disputes or construction delay due to agency disagreements.

Selection of the necessary coordinators shall be made, and the person(s) available, prior to issuance of the Coastal Development Permit and Land Use Permit.

Operations

The program shall include all plans related to operations, such as the Emergency Response Plan, Oil Spill Contingency Plan, and Landscaping Plan, as well as specific conditions not required in formal plans. It may also include any procedures not specified by these conditions but relevant to environmental protection and safety. Operational Compliance Plans shall be updated as necessary to reflect any approved change of operator within six months after assuming operations in accordance with County Code Section 25B-10(a)(6).

C-2. 24-Hour Emergency Contact

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall provide to the Planning and Development Department and the Emergency Services Coordinator the current name and position, title, address, and 24-hour phone numbers of the field agent, person in charge of the facility, and other representatives who shall receive all orders and notices, as well as all communications regarding matters of condition and permit compliance at the site and who shall have authority to implement a facility shutdown pursuant to condition A-8 in this Ordinance.

There shall always be such a contact person(s) designated by the permittee. One contact person shall be available 24 hours a day during all phases of the project in order to respond to inquiries received from the County, or from anyone in case of an emergency.

If the address or phone number of the agent should change, or the responsibility be assigned to another person or position, PPC shall provide to the Planning and Development Department the new information within seven days.

C-3. Provide Copies of Permits to P&D

PPC shall furnish to the Planning and Development Department copies of all County permit applications relative to the project once submitted, and of permits within 30 days of receipt by PPC.

D. AIR QUALITY

D-1. Statement of Scope

Nothing contained herein shall be construed to permit a violation of any applicable air pollution law, rule, or regulation.

D-2. Authority to Construct

Prior to initiation of construction, including grading, of any facilities approved pursuant to this Development Plan, the permittee shall obtain an Authority to Construct permit from the County Air Pollution Control District.

D-3. Agreement to Implement All Air Pollution Control Procedures

PPC agrees to implement all air pollution control procedures as required by APCD and identified in the Final Development Plan (such as water sprays to reduce construction-related fugitive dust).

D-4. Emissions Mitigation

Emissions from any project component that contribute to ozone standard violations must be mitigated to the extent feasible. Effectiveness of mitigation will be confirmed by APCD.

D-5. Deleted.

D-6. Validation Information

Prior to approval of the Final Development Plan, the permittee shall submit to the Planning and Development Department updated estimates of the type and size of helicopters, or other aircraft, to be used during pipeline operations for the aerial surveys of the pipeline route. The information shall also include the estimated operating schedules, frequency and duration of airport calls and other reasonable information as required by APCD. The County may require validation and updating of this information as needed. Should this information reveal significant differences between the estimated air emissions and those analyzed in the EIR/EIS, the APCD may modify air quality permit conditions as necessary to assure consistency with the Air Quality Attainment Plan and Reasonable Further Progress goals.

D-7. Discharge Limitations

All facilities shall be designed, constructed, operated, and maintained, such that the facilities approved under this Development Plan shall not discharge quantities of air contaminants or other materials in violation of Section 41700 of the Health and Safety Code.

D-8. Mitigation Plan for Construction Air Quality Impacts

Prior to the approval of the Final Development Plan, the permittee shall submit to the Director of the Planning and Development Department a plan, approved by the APCD, which includes timing of construction, minimizing soil handling, and other measures to mitigate construction air quality impacts. The plan shall include APCD approved analysis which demonstrates that local, state and federal air quality standards will not be violated as a result of construction activities.

D-9

For the Gaviota Creek Pipeline Lowering and Relocation project, during clearing, grading, earth moving, excavation or transportation of cut or fill materials, water trucks or sprinkler systems are to be used to minimize dust leaving the site and to create a crust after each day's activities cease. During construction, water trucks or sprinkler systems shall be used to keep all areas of vehicle movement damp enough to prevent dust from leaving the site. At a minimum, this would include wetting down such areas in the later morning and after work is completed for the day and whenever wind exceeds 15 miles per hour. Soil stockpiled for more than two days shall be covered, kept moist or treated with soil binders to prevent dust generation. **Plan Requirements:** All requirements shall be shown on construction drawings. **Timing:** Condition shall be adhered to throughout all grading and construction periods. **MONITORING:** Planning and Development shall ensure measures are on plans. Planning and Development's EQAP monitor shall spot check and ensure compliance on-site. APCD inspectors shall respond to any nuisance complaints. *(Mitigation Measure A-1) (adopted by the Planning Commission on September 6, 2000)*

D-10

During construction of the Gaviota Creek Pipeline Lowering and Replacement project, use water trucks 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. Increased watering frequency should be required whenever the wind speed exceeds 15 mph. Reclaimed water should be used whenever possible. **Plan Requirements:** This condition shall be printed on all construction drawings. **MONITORING:** EQAP monitor to spot check in the field. *(Mitigation Measure A-2) (adopted by the Planning Commission on September 6, 2000)*

D-11

During the Gaviota Creek Pipeline Lowering and Replacement project, the permittee shall minimize the amount of disturbed area and ensure that on site vehicle speeds do not exceed 15 miles per hour. **Plan Requirements:** This condition shall be printed on all construction drawings. **MONITORING:** EQAP monitor to spot check in the field. *(Mitigation Measure A-3) (adopted by the Planning Commission on September 6, 2000)*

D-12

For the Gaviota Creek Pipeline Lowering and Replacement project, soil stockpiled for more than two days shall be covered, kept moist or treated with soil binders to prevent dust generation. Trucks transporting fill material to and from the site shall be tarped from the point of origin. **Plan Requirements:** This condition shall be printed on all construction plans. **MONITORING:** EQAP monitor to spot check in the field. *(Mitigation Measure A-4) (adopted by the Planning Commission on September 6, 2000)*

D-13

For the Gaviota Creek Pipeline Lowering and Replacement project, heavy-duty diesel-powered construction equipment manufactured after 1996 (with federally mandated "clean" diesel

engines) shall be utilized wherever feasible. *(Mitigation Measure A-5) (adopted by the Planning Commission on September 6, 2000)*

- a. The engine size of construction equipment shall be the minimum practical size.
- b. The number of construction equipment operating simultaneously shall be minimized through efficient management practices to ensure that the smallest practical number are operating at any one time.
- c. Construction equipment shall be maintained in tune per the manufacturer's specifications.
- d. Construction equipment operating onsite shall be equipped with two to four degree engine timing retard or precombustion chamber engines.
- e. Catalytic converters shall be installed on gasoline-powered equipment, if feasible.
- f. Diesel catalytic converters shall be installed, if available.
- g. Diesel powered equipment should be replaced by electric equipment whenever feasible.
- h. Construction worker trips should be minimized by requiring carpooling and by providing for lunch onsite.

MONITORING: EQAP monitor to spot check in field. *(Mitigation Measure A-5) (adopted by the Planning Commission on September 6, 2000)*

E. GEOLOGY

E-1. Geologic Investigation, Design and Mitigation Program

Prior to the issuance of the Coastal Development Permit and Land Use Permit, the permittee will conduct a route-specific Geologic Investigation, Design, and Mitigation Program. This program shall contain three basic components: 1) a detailed geologic investigation component which defines specific hazards, 2) an engineering design component which details specific engineering plans for each identified hazard along the route, and 3) a geohazards mitigation component which demonstrates how and to what extent each hazard is reduced.

- a) Detailed geologic investigation component:
Where specific hazards have been identified or may occur along the pipeline route or at pump station locations, the permittee will conduct appropriate detailed geologic, seismic, and geotechnical studies to further characterize the specific geologic hazard. These studies will be conducted under the direction of a State of California registered geologist or engineering geologist who will be mutually agreed to by the permittee, the Planning and Development, the Public Works Department, and the Flood Control District. These studies will include but not be limited to investigations of unstable slopes, erodable slopes, lurch/liquefaction susceptible substrate, surface rupture, and river scour characteristics (depth and lateral extent). Methods of investigation shall conform to appropriate geotechnical techniques applicable to each specific hazard. Draft results will be subject to review by County Public Works Department and Flood Control Agency as appropriate prior to finalization of the engineering design. The final report will be submitted with the final engineering design component.
- b) Engineering design component:
The permittee will demonstrate that appropriate geotechnical information from component a) and other applicable recommendations are incorporated into final engineering design of pipeline construction and facilities. This includes but is not restricted to: the development of appropriate ground motion parameters for use in seismic design of critical structures and equipment, unstable slope construction or avoidance techniques, burial depth at all major river crossings, modification of instrumentation, or use of the dual contingency level/operating level earthquake concept, or its equivalent. The designs will be subject to

review by the Department of Public Works and third party technical review as specified in Condition P-1.

c) Geohazards mitigation component:

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee will submit to the Planning and Development Department a detailed geologic hazard mitigation report. The report will outline the hazards identified in part a) of this program and will address how engineering designs as detailed in part b) of this program reduce each specific hazard. This component will also be submitted to the Department of Public Works and Flood Control Agency and will be subject to third party review as specified in Condition P-1.

E-2. Geologic Hazard Monitoring Program

PPC will develop a Monitoring Program for the operations phase to be funded by PPC and staffed as necessary with at least one State of California registered engineer, or engineering geologist, in order to evaluate any hazards identified by routine monitoring. The program will be designed to verify adequate performance or condition of the project components in hazard areas such as river and active fault crossings, and will be subject to approval of the Planning and Development Department prior to issuance of the Coastal Development Permit and Land Use Permit. The monitoring program may in part be incorporated into routine aerial and ground reconnaissance. If the monitoring indicates a potential or actual hazard, appropriate action including, but not limited to, operations curtailment and repairs, will be taken by PPC to mitigate the hazard. PPC will report to the Emergency Services Coordinator any potentially hazardous situations discovered during monitoring. In the case of river crossings at the Santa Ynez, Sisquoc and Cuyama Rivers, a yearly inspection of pipeline burial depth, subject to review by the Planning and Development Department and Flood Control Agency, shall be performed. At crossings of the Santa Ynez and Sisquoc Rivers where channel degradation has reduced the depth of cover to less than four feet below the 100-year scour depth, or other hazardous levels as determined by a professional engineer on the staff of or under supervision of the County Flood Control Agency, or US D.O.T. specifications, relocation or reburial of the pipeline to adequate depth will be required. At the crossing of the Cuyama River, if the inspections reveal that hazardous conditions exist, mitigations such as reconstruction or relocation of the crossing will be required as determined by a professional engineer on the staff of or under supervision of the County Flood Control Agency.

E-3. Inspection of Trench Prior to Pipeline Installation

Inspection of the pipeline trench or trench spoil to identify any potential geologic hazards shall be made by a professional geologist or soils engineer approved by the Planning and Development Department prior to installation of the pipeline. If hazards not previously accounted for in the pipeline design are encountered, appropriate mitigation measures will be developed and must be instigated prior to installation of the pipeline. The results of the inspection will be reported to the engineering geologist of the Public Works Department who will approve prior to, and the supervising environmental coordinator who will insure, application of the necessary mitigation measures. The timing of such inspections shall not result in any unreasonable delays in installation of the pipeline.

E-4. Isolation Valves at Active Fault Crossings

At all places where the pipeline crosses an active fault, according to the Department of Geology and Mining definitions, the permittee will place isolation valves on either side, or design and construct appropriate devices or measures which more effectively mitigate the hazard of the fault crossing. Location and nature of these designs must be approved prior to the issuance of the Coastal Development Permit and Land Use Permit.

E-5. Sisquoc Pump Station Grading and Erosion Control Plan

Prior to the issuance of the Coastal Development Permit and Land Use Permit, the permittee shall submit final Grading and Erosion Control Plans for the Sisquoc pump station approved by the Department of Public Works. These plans shall be consistent with or based on information contained in the geologic investigation required in Condition E-1. Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall either submit Grading and Erosion Control Plans for the Las Flores and Gaviota pump stations for approval by the Department of Public Works or show evidence that the plans are a part of the overall Grading and Erosion Control Plans for the consolidated processing facilities at those sites.

E-6. Cooperation with San Luis Obispo County for Cuyama River Crossing

The permittee shall cooperate as necessary with San Luis Obispo County in the permitting, design and construction of the Cuyama River crossing. Any pipeline crossing the Cuyama River shall be laid to a depth consistent with studies performed under Condition E-1 and subject to approval of the County Flood Control District.

E-7. South Coast Pump Stations Location

Prior to approval of the Final Development Plan, the permittee shall commit to the location of their south coast pump stations to the satisfaction of the Planning Commission. If these stations are not within the boundaries of the approved Exxon, Gaviota Terminal Company, or Chevron facilities, the permittee shall submit grading and erosion control plans pursuant to Condition E-5.

E-8. Stockpiling of Earth Materials During Construction

Stockpiling of large volumes of earth materials in temporary (for construction only) work space areas in excess of those volumes needed locally for construction shall not occur except as approved by the Planning and Development Department. The permittee shall not stockpile materials on landslide prone slopes during the rainy season.

E-9. Storage of Pipe During Construction

Storage of pipe in temporary (for construction only) extra work spaces shall not occur except as approved by the Planning and Development Department.

E-10

The permittee shall implement a project specific Restoration, Erosion Control and Revegetation Plan for the Gaviota Creek Pipeline Lowering and Replacement Project in order to minimize erosion. In addition, grading shall be minimized within the creek and along the creek bank and grading on slopes greater than 5:1 shall be designed to minimize surface water runoff. **Plan Requirements:** This requirement shall be noted on construction drawings prior to approval of CDP. The applicant shall notify the Energy Division at least 48 hours prior to commencement of grading. **MONITORING:** EQAP monitor shall inspect the site during grading work to verify that erosion control measures are properly implemented. *(Mitigation Measure G-1) (adopted by the Planning Commission on September 6, 2000)*

E-11

The permittee shall limit excavation and grading to the driest season of the year to avoid the breeding season for California red-legged frog, tidewater goby, and the Southern steelhead migration season (July 1 to November 1) for the Gaviota Creek Pipeline Lowering and Replacement project, unless granted permission by the Energy Division. All exposed graded

surfaces shall be reseeded with ground cover vegetation to minimize erosion. **Plan Requirements:** This requirement shall be noted on construction drawings. **MONITORING:** EQAP monitor shall inspect the site during grading to monitor dust generation and after grading to verify reseeded. (*Mitigation Measure G-2) (adopted by the Planning Commission on September 6, 2000)*)

E-12

At Gaviota Creek, the permittee shall perform an as-built profile survey of the pipeline and creek bed and develop a profile drawing showing the pipeline and creek bottom. For the first two years after installation of the new pipeline crossing, the creek bed shall be surveyed each year at the end of the rainy season. After the first two years, PPC shall re-survey after every significant flood event (i.e., 100-year event or more serious), but not less than every three years. After each creek bed profile survey, the creek bed profile shall be shown on the original as-built profile survey. **Plan Requirements:** PPC shall submit surveys to Planning and Development's geologist for review and approval. **MONITORING:** Planning and Development shall review creek elevation records and site inspect as necessary. (*Mitigation Measure G-3) (adopted by the Planning Commission on September 6, 2000)*)

E-13

At Gaviota Creek, the permittee shall visually inspect the status of restoration efforts and the erosion at the pipeline crossing at least quarterly, and as requested by State Parks or Planning and Development, after installation of the new pipeline crossing. (These surveys shall be conducted at ground level, not from the air.) **Plan Requirements:** Written inspection reports shall be submitted to the Energy Division within 30 days of the inspections and surveys. PPC shall take any necessary corrective actions required to stabilize disturbed areas, as approved by the Energy Division. **MONITORING:** EQAP monitor to periodically inspect the restoration effort. (*Mitigation Measure G-4) (adopted by the Planning Commission on September 6, 2000)*)

F. SURFACE AND GROUNDWATER

F-1. Downstream Flows During Construction

During construction of the pipeline across all perennial stream crossings, stream flows, if any, shall be diverted around construction areas to maintain downstream flows. Baseline water flows shall be maintained in coastal streams in order to avoid adverse impacts to lagoon or other sensitive habitats.

F-2. Sediment Retention Devices During Construction

Sediment retention devices that allow continued streamflow shall be installed directly downstream of stream crossings during construction.

F-3. Stream and River Crossings During Construction

For pipeline crossings at the following stream or river crossings: Tajiguas; Refugio; Gaviota; Nojoqui; Zaca; San Antonio Creeks, all additional perennial streams which the pipeline crosses: Santa Ynez; Sisquoc; and Cuyama Rivers, the permittee shall construct the buried pipelines during the months of low historical streamflow, in order to minimize erosion loss downstream and protect surface water quality. In the event of low winter rainfall, earlier construction may be approved by the Planning and Development Department and County Flood Control Agency.

F-4. Riparian Habitat Corridors During Construction

No staging areas shall be permitted within riparian habitat corridors.

F-5. Construction Contractors at Stream Crossings During Construction

During pipeline construction at stream crossings, construction contractors will minimize time of disturbance, narrow the construction ROW to the extent feasible, stabilize the disturbed areas immediately following construction of the crossing, and divert runoff waters around construction areas to maintain downstream flows.

F-6. Deleted.

F-7. Isolation Valves at Perennial Stream and River Crossings

The permittee shall install isolation valves on either side of all perennial stream and river crossings, including the Cuyama River, and/or as required by the Coastal Zoning Ordinance, unless the applicant can demonstrate that alternative methods will further reduce the potential leak impacts at the crossing site. These locations shall be identified prior to the Final Development Plan.

F-8. Freshwater Source During Construction

Prior to approval of the Final Development Plan, the permittee shall identify the freshwater source considered for supplying pipeline and facility construction activities including hydrostatic test water, and shall estimate the total quantity required. Any water obtained from coastal or inland sources shall not significantly disrupt streamflows, groundwater resources, or habitat resources. Water conserving devices shall be used where feasible. Any water used during construction, (exclusive of hydrostatic test water), shall contain no more than 5,000 parts per million total dissolved solids. Disposal of hydrostatic test water within the County shall be according to a plan approved by the Regional Water Quality Control Board, or by the Flood Control Agency. This information shall be provided to and approved by the Planning and Development Department as part of the Final Development Plan.

F-9. Hydrogeologic Investigations for Sensitive Areas

Prior to approval of the Final Development Plan, the permittee will perform detailed hydrogeologic investigations for the sensitive areas identified in the EIR/EIS, (Table 3-14). These investigations will be conducted by a State of California registered geologist or engineer and will include but not be limited to:

- a) definition of groundwater depth, recharge sources, properties of overlying soils, hydraulic gradient, background water quality, and existing water uses.
- b) inventory of existing wells from State or County Flood Control Agency records in an area extending down-gradient from the pipeline in the aquifer equal to the distance groundwater would move in one year at a velocity calculated from the maximum hydraulic conductivity of the specific aquifer, hydraulic gradient, and porosity. The down-gradient sensitive area will be determined by a registered geologist.

This information will be reviewed by the Planning and Development Department and used by the permittee to formulate the Groundwater Contamination portion of an Oil Spill Contingency Plan, Condition P-5. This portion of the Plan will include;

- a) plans for monitoring and early detection of groundwater contamination, including aerial and ground surveys, pipeline pressure monitoring, and water sampling of strategic wells;
- b) plans for notification of affected groundwater users, and the Emergency Services Coordinator;
- c) clean-up response, reparations, restorations, and methods to determine and correct the contamination source; and
- d) identification of emergency alternate water supplies.

F-10. Dam and Ditch Plugs in Pipeline Trenches by Aquifers

At the base of slopes where the ROW approaches sensitive aquifers as identified in the EIR/S that are at risk from oil spills and leaks, a dam or ditch plug will be used in the pipeline trench. The sensitive areas are those where the ROW follows 1) topographic slopes toward basins with shallow depth to water, 2) high vertical permeabilities, and 3) a high degree of groundwater use as indicated by the hydrogeologic investigations required as per condition F-9. These areas shall be identified in the Final Development Plan.

F-11. SSRRC Approval for All Creek and River Crossing Plans

Prior to the approval of the Final Development Plan, the System Safety and Reliability Review Committee shall review and approve submitted plans of all creek and river crossings in Santa Barbara County. Permitted development shall not cause or contribute to flood hazards or lead to the expenditure of public funds for flood control works.

G. AQUATIC BIOLOGY

G-1. Oil Spill Response Plan

Fueling and lubrication of construction equipment will not occur within 0.25 miles of any flowing streams. No more than 2 barrels of fuel shall be kept at construction sites, exclusive of pipeline construction equipment fuel tanks, within 0.25 miles of all perennial creeks. As part of the oil spill response plan, the permittee will submit plans for clean-up and restoration of affected areas in the event of a construction fuel spill.

G-2

For the Gaviota Creek Pipeline Lowering and Relocation project, all construction and grading plans shall show the precise location of the environmentally sensitive habitats within the project vicinity. **Timing:** The ESH areas should be designated on all plans prior to CDP approval. **MONITORING:** Planning and Development staff to check plans. (*adopted by the Planning Commission on September 6, 2000*)

G-3

For the Gaviota Creek Pipeline Lowering and Relocation project, during construction, washing of concrete, paint or equipment shall occur only in areas where polluted water and materials can be contained for subsequent removal from the site. Washing shall not be allowed near sensitive biological resources. An area designated for washing functions shall be identified. **Plan Requirements:** The applicant shall designate a wash off area, acceptable to Planning and Development, on the construction drawings. **Timing:** The wash off area shall be designated on all plans prior to CDP. The washoff area shall be in place throughout construction. **MONITORING:** Planning and Development staff shall check plans prior to approval of CDP

and the EQAP monitor shall site inspect throughout the construction period to ensure proper use. *(Mitigation Measure B-2) (adopted by the Planning Commission on September 6, 2000)*

H. TERRESTRIAL BIOLOGY

H-1. Restoration, Erosion Control and Revegetation Plan

H-1(j) modified 12/16/92

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall submit a Restoration, Erosion Control, and Revegetation plan for the final proposed pipeline route and the pump station sites. The plan shall be submitted to the Planning and Development Department for approval. Once approved, the plan shall be implemented by the permittee. Success of the restoration and revegetation plans shall be monitored by a qualified independent biologist who is in addition to the managing environmental coordinator (Condition C-1). The plan shall contain, but not be limited to, the following:

- (a) Procedures for stockpiling and replacing topsoil, replacing and stabilizing backfill, such as at stream crossings, and steep or highly erodable slopes. Additionally, provisions shall be made for recontouring to approximate the original topography. Excess fill shall be disposed of off-site unless suitable arrangements are made with the property owner. Excess fill shall not be deposited in any drainage, or on any unstable slope.
- (b) Specific plans for control of erosion, gully formation, and sedimentation, including, but not limited to, sediment traps, check dams, diversion dikes, culverts and slope drains. Plan shall identify areas with high erosion potential and the specific control measures for these sites.
- (c) Procedures for containing sediment and allowing continued downstream flow at stream crossings, including scheduling construction activities during low-flow periods.
- (d) Procedures for re-establishment of vegetation that replicates or is functionally equivalent to indigenous and naturalized communities along the alignment. These shall include: measures preventing invasion and/or spread of undesired plant species; restoration of wildlife habitat value; and restoration of native plant species and communities. The permittee shall consult with the County Farm Advisor and appropriate Ranch operators when developing procedures for revegetating areas used for cattle grazing and other agricultural uses;
- (e) Procedures for restoration of riparian corridor stream and river banks and stream bed substrates and elevation;
- (f) Procedures for minimizing all tree removal or tree root and branch damage, such as, flagging the corridor, keeping all disturbance to no more than the 100-foot pipeline right-of-way, feathering the right-of-way edges, providing for onsite monitoring of construction by a qualified independent biologist. In addition, special procedures are required for oak woodlands since County policy requires that these trees must not be cut down if feasible. Special procedures for oaks include reducing the right-of-way to the minimum width possible and minimizing the impact to the root zone of these trees;
- (g) Procedures for replacement of native trees and large shrubs removed from the 100-foot temporary easement during construction across riparian and woodland, in particular oak woodland, habitat, with saplings of the same species propagated from materials obtained from the same area, including provision for supplemental irrigation as necessary and feasible to ensure establishment, and provisions for protection of saplings from grazing animals;
- (h) A soil conservation program, to be applied in areas of 20 percent or greater slopes along the pipeline corridor.

- (i) Procedures for incorporating landowner concerns in the plan. Any changes to the plan instigated by such concerns shall be approved by the Planning and Development Department.
- (j) The permittee shall provide an endowment in the amount of \$841,000 to fund implementation of the Alternative Oak Mitigation Program to reestablish oak savannahs and woodlands in Santa Barbara County. (Modified 12/16/92)
- (k) The segment of the plan pertaining to Gaviota State Park shall be prepared in cooperation with the State Department of Parks and Recreation.

H-2. Impact Survey One Year After Construction

One year after construction, a survey will be conducted, at the permittee's expense, to determine the actual impact caused by construction. This survey shall include aerial photography, and as appropriate color stereo and infrared photography and field studies. The report will identify areas with potential for further impact, e.g., high erosion areas, that will require immediate remedial measures. The survey shall also contain an examination of previous mitigation measures and present a list of additional feasible mitigations based on the impacts during construction and potential impacts caused by operation. The permittee and the Planning and Development Department shall agree to additional feasible mitigations. This process shall be repeated as often as necessary by the Planning and Development Department, but not more than annually.

H-3. Sensitive Habitat Areas

In those areas where trees and other habitats such as riparian areas and oak woodlands are to be avoided within the approved corridor and temporary (for construction only) extra work spaces, the permittee shall assure contractor compliance with this condition by marking and/or fencing those resources. These areas include, but are not limited to, the sensitive resources identified by the permittee and depicted on the 1" = 400' color aerial print photographs provided by the permittee and the Environmentally Sensitive Habitat (ESH) areas identified by the Planning and Development Department. The permittee shall avoid disturbance to the tarplant restoration site established by Texaco on State Park property.

H-4. Additional Mitigation

Additional reasonable and feasible conditions of mitigation, consistent with condition H-1 and to the extent necessary, shall be identified and observed as developed during the archaeological mitigation program (conditions L-1, L-2, L-3, L-6), and as identified by the managing environmental coordinator in consultation with the permittee's Onsite Construction Representative (condition C-1).

H-5. Deleted.

H-6. Herbicides During Construction

The permittee shall not use herbicides in wetland and riparian areas, and along the rest of the pipeline corridor during construction.

H-7. Fish and Game Permit (1603)

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall receive a permit (1603) as required from the California Department of Fish and Game. This permit should include provisions to ensure that the proposed construction schedule will not

interfere with reproductive activities of regionally rare or rare, threatened or endangered bird, amphibian, and fish species or other species of special concern, in those environmentally sensitive habitats identified in the EIR/EIS and shall submit this confirmation to the Planning and Development Department. If the Department of Fish and Game determines that the construction schedule will have an impact then the permittee will adhere to directives of the Department of Fish and Game with respect to their permit requirements.

H-8. Deleted.

H-9. Hoffman's Nightshade Plan

The permittee shall minimize impacts to the population of Hoffmann's nightshade (*Solanum xanti* var. *hoffmannii*) found in the Gaviota Pass area. The permittee shall submit plans to enhance the recovery of this population to the Planning and Development Department for approval prior to issuance of the Coastal Development Permit and Land Use Permit.

These plans shall include provisions for removing any individual plants that would be affected, place them in large tubs, and replant them as near as possible to the original location (exclusive of the operation Right-of-Way) after construction; and gathering seeds prior to issuance of the Coastal Development Permit and Land Use Permit from the population of Hoffmann's nightshade located in the Gaviota Pass area and planting them in and near the ROW after construction. This shall be done under the supervision of a biologist approved by the Planning and Development Department and in cooperation with the California Parks Department; this biologist may approve modifications to these techniques based on season of the year and state of dormancy.

H-10. Catalina Mariposa Lily Plan

The permittee shall minimize impacts to the population of Catalina Mariposa lily (*Calochortus catalinae*) found in the Gaviota Pass area. The permittee shall submit plans to enhance the recovery of this population to the Planning and Development Department for approval prior to issuance of the Coastal Development Permit and Land Use Permit. These plans shall include provisions for gathering of seeds from the population found in or near the ROW prior to construction, planting the seeds in or near the ROW after construction (exclusive of the operation ROW), conserving the upper 18-24 inches of heavy clay soil which contains the plant's bulb-like corms found in the vicinity of the plants prior to construction, and then, after construction, replacing this soil which holds the plant's bulb-like corms. This shall be done under the supervision of a biologist approved by the Planning and Development Department and in cooperation with the California Parks Department; this biologist may approve modifications to these techniques based on season of the year and state of dormancy.

H-11. Refugio Manzanita Plan

The permittee shall minimize impacts to the population of Refugio Manzanita (*Arctostaphylos refugioensis*) found in Gaviota Pass area and affected by the proposed construction activities. The permittee shall submit plans to enhance the recovery of this population to the Planning and Development Department for approval prior to issuance of the Coastal Development Permit and Land Use Permit. These plans shall include provisions for gathering seeds and taking cuttings from the population of Refugio Manzanita found in and adjacent to the ROW prior to construction, and provisions for the planting of the seeds and plants propagated from cuttings in the final construction alignment (exclusive of the operation ROW) after construction. This shall be done under the supervision of a biologist approved by the Planning and Development Department and in cooperation with the California Parks Department; this biologist may approve modifications to these techniques based on season of the year and state of dormancy.

H-12. Restoration, Revegetation and Implementation Plan

The permittee shall prepare a Restoration, Revegetation and Implementation section as part of the Oil Spill Contingency Plan (P-5). The section shall be reviewed and accepted prior to start-up by the Planning and Development Department and a biologist approved by the Planning and Development Department. The section shall be submitted sufficiently prior to the permittee's projected start-up date so as to allow reasonable time for staff review. Reasonable costs of review shall be borne by the applicant. The section shall contain site-specific restoration information for all habitat types including stream crossings, wetlands/lagoons, oak woodlands, grasslands, riparian zones, and other environmentally sensitive habitats. The section shall be divided into three major areas: a) Coastal, b) Streams and Rivers and c) Terrestrial habitats. Each of these sub-sections shall discuss the various habitats in the categories listed above. Methods to achieve restoration of all affected areas to their prespill conditions shall be discussed.

H-13. Pump Station Landscaping

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall submit to the County Board of Architectural Review, and the Planning and Development site-specific plans for landscaping of any pump station not within other required project vegetation screens. This plan shall, at the permittee's expense, be reviewed by a qualified landscape architect and a biologist approved by the Planning and Development Department to insure the proper plant materials and procedures identified in these conditions are implemented. These plans shall be developed in consultation with the property owner. The plan shall include:

- (a) The specifications of any potential seed mixtures to be utilized, including the plant species in the mixture and the pounds of seed per acre to be applied; type of mulch (fiber, chemical tackifier or straw); the type and amount of fertilizer; and any provisions for irrigation;
- (b) Confirmation that all native or non-native plant materials proposed in the revegetation plan are compatible with indigenous vegetation and that none of the plants used is known to be weedy or invasive. The plan shall provide for plantings that will screen facilities from view. This vegetation screening shall also be designed to reduce nighttime lighting and noise. Near chaparral or other high fire hazard areas, the seeds or seedlings will consist of native or non-native species, shown to contain fire retardant properties (such as toyon) and shown to be fast growing;
- (c) The specifications for native seeds and seedlings that will have wildlife habitat and food value. All perennial plants, and all woody plants are to be propagated from material obtained from the same area. Native plant material is to be obtained from a revegetation contractor. All native materials will be ordered from the contractor in advance of construction activities.
- (d) Confirmation that non-native material is to be confined to disturbed areas immediately adjacent to structures needing visual screening. Such screening is to include fast growing plants adequate to screen the facility from direct view;
- (e) A detailed irrigation plan if feasible for all revegetated areas requiring irrigation for establishment of plant materials;
- (f) The permittee's commitment for continual monitoring of the revegetation so that weeds will be minimized.

H-14. Landscaping and Revegetation Bonds

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall post a bond or other security agreement approved by the County Counsel to ensure that all landscaping and revegetation programs are completed to the County's specifications.

H-15. Release of Landscaping and Revegetation Bonds

Prior to issuing a release from the bond or other security agreement, a biologist and landscape architect hired by the County, at the permittee's expense, shall conduct a field review of all revegetated and landscaped areas, to insure consistency with the intent and specifications of the revegetation and landscape plan. Necessary repairs or changes in landscaping or revegetation shall be made at the permittee's expense.

H-16. California Endangered Species Inventory

Prior to approval of the Final Development Plan, a qualified biologist approved by the Planning and Development Department will conduct site-specific field inventories for California state-listed species, as mandated by the intent and general provisions of Assembly Bill No. 3309, the California Endangered Species Act. The biologist will perform the surveys of the 100-foot ROW in areas suspected of having any of the species of special concern as identified in Appendix B Table B-6, DEIR/S, except for the peregrine falcon, least Bell's vireo, and Parish's sidalcea. Surveys for these species will be conducted prior to construction. The California Department of Fish and Game will be consulted concerning appropriate methods for survey as well as appropriate mitigation measures if these species are found on the ROW. Additional mitigation shall be developed and executed by the permittee-based on these surveys if determined necessary by the Planning and Development Department.

H-17. Raptor Nesting Habitat Survey

Prior to issuance of the Coastal Development Permit and Land Use Permit, a wildlife biologist approved by the Planning and Development Department will survey all potential raptor nesting habitats within 0.5 miles of the pipeline, to identify active and inactive nests and potential perch sites cleared by ridge-top construction. No construction will occur within 0.5 miles of active eyries during nesting season as determined by the biologist. Construction may be permitted by the Planning and Development Department in consultation with the biologist near inactive nests provided nest sites are not disturbed. Where deemed necessary by the California Department of Fish and Wildlife biologists, raptor perch or roost trees will be avoided and/or artificial roosts will be constructed on ridgelines to mitigate losses of such trees resulting from clearing the ROW on ridge tops.

H-18. Construction ROW Through Riparian Habitats

The permittee shall limit the width of the construction ROW through all riparian habitats to the extent feasible. The permittee shall submit a plan indicating the location and size of the construction ROW through all riparian habitats. These plans shall be approved by the Planning and Development Department prior to the Final Development Plan.

H-19. Construction ROW Designed to Avoid Trees

The construction ROW shall be routed to avoid trees to the maximum extent feasible. When this is not possible, dying or diseased trees shall be removed preferentially over healthy trees.

H-20. Suey Canyon Oak Woodland

The permittee shall minimize impacts to the oak woodland in the Suey Canyon area. This shall be done by using existing disturbed areas and by narrowing the construction corridor to the extent feasible by working on top of the spoils pile or selectively removing spoils, selectively removing

trees (e.g. dying, or diseased trees) and revegetating to enhance re-establishment of oak saplings and/or similar mitigation.

H-21. Los Alisos Creek Crossing

The permittee shall align the pipeline route in the vicinity of the Los Alisos Creek crossing in order to minimize the amount of riparian habitat disrupted.

H-22. Parish's Checkermallow Field Survey

Prior to the issuance of the Land Use Permit, a qualified biologist approved by the Planning and Development Department shall conduct a site-specific field survey for the Parish's checkermallow along the approved right-of-way in potential habitat areas in the North County. Should any individuals be found along the right-of-way, the permittee shall employ mitigation measures approved by the Planning and Development Department to enhance the reestablishment of the species along the ROW (e.g., transplanting individuals).

H-23. Gaviota Tarplant Plan

The permittee shall minimize impacts to the population of Gaviota tarplant (*Hemizonia increscens* ssp. *villosa*) found in the Gaviota area. The permittee shall submit a plan to enhance the recovery of this population to the Planning and Development Department for approval prior to issuance of the Coastal Development Permit. This plan shall include provisions for ensuring the preservation of the current seed crop and seed stored in topsoil (seed bank) onsite. This shall be done under the supervision of a biologist approved by the Planning and Development Department.

H-24. Restoration of Construction Work Areas

Impacts to existing vegetation within the temporary (for construction only) extra work space areas shall be minimized to the extent feasible. All disturbed areas, including temporary extra work spaces, shall be restored and revegetated pursuant to the permittee's approved Restoration, Erosion Control, and Revegetation Plan (Condition H-1). Any grading of the temporary extra work space areas will require a separate Coastal Development Permit.

Use of the temporary (for construction only) extra work space areas on slopes greater than 30 percent shall be limited to spoil placement. Right-of-way restoration and revegetation on slopes greater than 30 percent shall be initiated immediately upon completion of pipeline installation.

H-25

The permittee shall implement a project specific revegetation and restoration plan for the Gaviota Creek Pipeline Lowering and Replacement project. The plan shall include, but not be limited to the following measures:

- Landscaping in the riparian corridor shall consist of native riparian species including willow (*Salix lasiolepis*, *S. laevigata*), mule fat (*Baccharis salicifolia*), wild blackberry (*Rubus ursinus*), California wild rose (*Rosa californica*) at a minimum density of 3 feet on-center. Planting stock shall be obtained from the Gaviota Creek drainage.
- The new plantings shall be irrigated as necessary to promote establishment.
- Plantings shall be fenced or otherwise protected from browsers as deemed necessary by the EQAP monitor.
- Non-native species including tree tobacco (*Nicotiana glauca*), castor bean (*Ricinus communis*), mustard (*Brassica* sp.), star thistle (*Centaurea* sp.) shall be removed from the creek within the project area.

- Upland areas disturbed by construction shall be recontoured to pre-existing conditions (to the extent feasible) and revegetated consistent with the Restoration, Erosion Control and Revegetation Plan approved for the original pipeline project.

The plan shall include pre-established performance criteria to be used in final evaluation for bond release. **Plan Requirements:** Prior to CDP approval, the applicant shall submit the revegetation and restoration plan, prepared by a Planning and Development approved biologist, to Planning and Development for review and approval. The \$350,000 performance bond already in place for the original project shall cover performance security for the project. **Timing:** The plan must be approved prior to CDP approval. Revegetation and removal of non-natives shall be done so as to coincide with the onset of seasonal rainfall. **MONITORING:** Planning and Development staff shall site inspect for restoration. Maintenance shall be confirmed through site inspections. *(Mitigation Measure B- 1 and V-1) (adopted by the Planning Commission on September 6, 2000)*

H-26

The permittee shall comply with the mitigative provisions of the following documents:

- NMFS Biological Opinion, December 31, 1998
- USFWS Biological Opinion, January 15, 1999
- ACOE Nationwide Permit, February 22, 1999
- CDFW Streambed Alteration Agreement, March 26, 1999
- NMFS Biological Opinion, May 31, 2000

These permits and mitigation measures are considered part of the project description. **Plan Requirements:** These conditions shall be printed on all construction plans. **MONITORING:** P&D staff to ensure compliance with other agency permits. EQAP monitor to spot check in the field. *(Mitigation Measure B-3) (adopted by the Planning Commission on September 6, 2000)*

I. SOCIOECONOMICS

I-1. Oil and Gas Industry-Wide Monitoring and Mitigation Program

The cumulative impacts of oil and gas industry projects are expected to be significant to Santa Barbara County. Therefore, the permittee shall participate in an oil and gas industry wide monitoring and mitigation program to address socioeconomic impacts identified as significant environmental impacts attributable to their project. For projects such as pipelines, only the construction phase is expected to cause significant impacts, and the permittee's participation in the program shall be limited to that phase. The criteria for allocating the costs of the monitoring and mitigation program and its mitigation requirements will be uniformly applied to all industry participants.

The intent of this program is to obtain realistic information regarding impacts identified in the EIR/EIS, and to allow impacted jurisdictions to require mitigation for project-related impacts. Mitigation of impacts through other planning programs, and/or through existing administrative infrastructure shall be taken into account. The scope of this program is detailed below. As subsequent details in the structure of the Program are developed by the County, such details shall supersede portions of this condition as appropriate.

The purpose of the Monitoring and Mitigation Program is to accurately assess the impacts of the permittee's proposed development, including those in the following socioeconomic areas:

- a. Temporary housing needs, particularly demand for state and other park campsites, recreational vehicle parks, motel-hotel rooms and rental housing;
- b. Longer term (more than one year) housing needs, particularly low and moderate income housing needs, and associated water demands, south coast Santa Barbara County;
- c. Public finance;
- d. Transportation of workers and materials to and from the site.

At any point when the Board of Supervisors determines that the monitoring program demonstrates that previous mitigation funds paid by the permittee exceed the valuation of the impacts at issue, the permittee shall be granted a credit against any other current or future mitigation fees imposed on the permittee for this permit by the County. The permittee shall be entitled to accrued interest at the prevailing legal rate which shall continue to accrue until the credit is used.

The Monitoring and Mitigation Program will be administered and staffed by the County of Santa Barbara, Department of Regional Programs. A Technical Advisory Committee will provide assistance and input in the documentation of significant adverse impacts and proposals to mitigate these significant impacts.

The Technical Advisory Committee will be composed of: two representatives from Santa Barbara's cities appointed by the Mayor's Select Committee and representing north and south county interests; one representative (each) from San Luis Obispo and Santa Barbara counties; and one representative from each affected oil and gas company (to the number of representatives agreed upon). The permittee will be included in the committee until the permittee submits its resignation.

In the event of unresolved technical issues in the area of methodology and calculation of socioeconomic impacts, there shall be a Technical Arbitration Group. The Technical Arbitration Group shall be composed of three individuals without ties to either the County or the permittee, one to be selected by the County Board of Supervisors, one selected by the oil and gas company representatives and the final member selected by the first two members. All Technical Arbitration Group decisions shall be appealable upon written request to the Board of Supervisors. Subsequent details on voting procedures and conflict resolution will be proposed by the Department of Regional Programs and reviewed by the Board of Supervisors in a noticed public hearing.

Prior to approval of the Final Development Plan for this project, the monitoring and mitigation program will be refined. Based on information in the EIR/EIS and on other data as appropriate, practical thresholds which trigger the necessity for mitigation will be developed and adopted by the Department of Regional Programs with input from the Technical Advisory Committee. These thresholds will recognize the normal growth incorporated in County plans, prior and existing industry activity, and the decline of the industry if no further permitting is allowed. Methodologies used to establish thresholds and impacts will be developed in consultation with the Technical Advisory Committee.

The need for mitigation will be determined when threshold levels are exceeded as shown by monitored activities and other data as appropriate. The Department of Regional Programs will recommend a mitigation action to the County Board of Supervisors. The Technical Advisory Committee will assist in making the assessment and recommendations. The monitoring and mitigation program will continue through all stages of construction.

The monitoring, impact and mitigation elements of the program would be equivalent to those described in the Chevron Gaviota Project conditions, but modified as appropriate for the nature of the pipeline project.

I-2. Housing for Temporary Construction Workers

Prior to approval of the Final Development Plan, the permittee shall submit to the County Department of Regional Programs a plan which details how they plan to house temporary construction workers for every month of construction. This plan, to be implemented by the permittee, shall demonstrate how the permittee plans to reduce the housing impacts identified as part of the plan; e.g. exactly how much housing is needed, where it is needed and for how long; but not limited to, the following examples:

- (a) Use of existing under-utilized hotel/motel space during the months of September through May to provide for temporary living quarters for direct construction workers by month; identification of incentives to all the direct construction workers such as rent subsidies and/or shuttle service to the site.
- (b) Use of any available housing outside the South Coast area for all workers associated with the project during the summer months when visitor-serving facilities in the South Coast area are at capacity. Incentives for workers shall be identified such as rent subsidies and shuttle service for all workers commuting to the job site.
- (c) Methods to limit worker use of public campgrounds as living quarters. If it cannot be shown that the impact will be reduced from the estimate, the permittee shall make a donation to the California State Parks or to Santa Barbara County Parks for the development of new campsites to offset their worker use of campsites. The donation shall be made prior to receipt of the building permit and determined by multiplying the estimated cost per developed campsite times 15. If it is shown by the Regional Programs Department and the Technical Advisory Committee that there is significant impact, the above-mentioned groups shall propose mitigation.

At any point when the Board of Supervisors determines that the monitoring program demonstrates that previous mitigation funds paid by the permittee exceed the valuation of the impacts at issue, the permittee shall be granted a credit against any other current or future mitigation fees imposed on the permittee for this permit by the County. The permittee shall be entitled to accrued interest at the prevailing legal rate which shall continue to accrue until the credit is used.

I-3. Construction During Peak Tourist Seasons

The pipeline construction period will be scheduled so as not to coincide with peak tourist seasons within each construction area in Santa Barbara County, provided that this scheduling does not interfere with any other conditions in this permit with respect to timing, in particular requirements regarding construction during stream and river low-flow. If such a conflict is found, than additional measures must be taken to provide the temporary housing needs for construction workers.

I-4. Deleted.

I-5. Utilization of Local Labor

The permittee shall include provisions in its contractor agreements specifically to encourage and promote employment from local labor so as to reduce the impacts associated with the in-migration of workers.

I-6. Project-Related Utilities and Services

Except as otherwise provided herein, if the Socioeconomic Monitoring Program shows that project-related revenues will not compensate for needed capital or operating expenditures necessary to provide project-related utilities and services additional mitigation will be required.

I-7. Distributing Oil Related Revenues

In the event that state and/or federal revenue sharing legislation directed at distributing oil related revenues to state or local governments is approved or Santa Barbara County levies a tax (special or otherwise) on oil and/or gas processed or transported under this permit, then any condition herein requiring payments or other items of value by the permittee to Santa Barbara County or any political subdivision thereof shall automatically be suspended pending a review by the County to determine the extent, if any, which the tax, revenue sharing, or any of the fees imposed are duplicative or unwarranted either as to the level of government services provided or the level of burdens imposed on the public.

J. LAND USE AND RECREATION

J-1. Property Owner Notification of Construction

Prior to construction, the entire pipeline ROW corridor shall be prominently staked. All affected property owners along the pipeline route shall be notified in writing at least 30 days prior to the commencement of any pipeline construction on their property, and at least 15 days in advance of any deviation from the staked corridor which crosses their property.

J-2. Mainline Pipeline Construction Time Lines

All mainline pipeline construction activities except river, perennial coastal stream, and ESH area crossings as specified in condition H-7, once started, shall proceed in a diligent and expeditious manner and shall be completed within nine months after the starting date, subject to necessary and/or unanticipated time extensions approved by County, in consultation with affected property owners.

J-3. Pipeline Construction Work Hours

Pipeline construction activities shall be limited to the period between 7 a.m. and 7 p.m., Monday through Saturday. Except for emergency services, construction activities shall not take place on Sundays, the dates generally recognized for Memorial Day, July 4, Labor Day, or any other similarly recognized holiday, unless previous arrangements have been made with the affected property owners.

J-4. Privacy and Security of Property Owners During Construction

Prior to approval of the Final Development Plan, the permittee shall consult with affected property owners to develop reasonable and mutually satisfactory controls for maintaining the privacy and security of affected properties while construction is in progress.

J-5. Property Owner Notification of Construction Within 48 Hours

Unless easements have been obtained from affected property owners or unless otherwise agreed to by affected property owners, the permittee shall provide affected property owners written notice at least 48 hours prior to the start of construction on their property, which shall include:

- a) Description of vehicles using roads on the property, including type, size, identification, proposed times of entry and departure, destinations, and the intended route to the destination. (Fire, medical, or similar emergency vehicles can enter as necessary.) Significant changes in the schedule of construction-related vehicular traffic shall be allowed within the 48-hour advance noticing subject to direct communication (e.g. telephone, personal communication) by the permittee with the affected property owners;
- b) Description of estimated construction schedule across the property. Any blasting necessary during construction shall be noticed to all property owners within a one mile radius of the blasting area;
- c) Description of times of limited access through and across the property, such as road closures on the property, indicating specific location, time and duration of the limited access or closure. Road closure is considered to include partial road blockage or disturbance. Suitable vehicular by-pass shall be provided during all closures;
- d) Description of any probable hazard or other unsafe condition during the pipeline construction period, indicating the nature of the hazard, the area in which the condition will occur, and the time and duration of the activity. The permittee and its contractors shall take prompt and adequate action to correct any hazard or damage that does occur during construction, and shall provide appropriate noticing as per other parts of this condition;
- e) Description of helicopter and/or vehicle reconnaissance schedules for pipeline maintenance, indicating times, stops, and duration. The permittee shall establish and enforce appropriate rules for its personnel and its contractors to assure that they will not be in the area except when necessary to carry out construction, inspection, repair and maintenance activities, or emergency services;
- f) Description of schedule for cutting any fences or similar barriers during pipeline construction.

J-6. Deleted.

J-7. Property Owner's Fences/Barriers During Construction

Unless easements have been obtained from affected property owners or unless otherwise agreed to by affected property owners if and when fences or other similar barriers must be cut during pipeline construction, the permittee shall provide advance notice to the affected property owner, and shall replace the function of the cut fence before the cut is made to the satisfaction of the property owner, and the permittee and its contractors shall restore all fences that have been cut, moved, or damaged to at least their condition prior to pipeline construction, except that gates or similar structures may be added as approved to provide access.

J-8. Utility Lines and Services During Construction

Interruption of telephone, electrical power, water or other utility services shall be minimized to the extent feasible during the pipeline construction period. The permittee, or its contractors, shall contact each property owner or the appropriate utility regarding the location of utility lines, and all such utility line locations shall be staked by the permittee or its contractors prior to the start of construction on the affected property.

J-9. Compliance with All Applicable County Statutes, Etc.

During the pipeline construction period in the County, the permittee and its contractors shall comply fully with all applicable statutes, ordinances, rules and regulations, including traffic regulations, of the County.

J-10. Proof of ROW Prior to Construction

Prior to entering upon any parcel of property for purposes of commencing construction, the permittee shall demonstrate to the Planning and Development Department that it has obtained a right-of-way for such parcel or otherwise has obtained the right to enter the property for purposes of constructing the pipeline.

J-11. Restricted Use of ROW After Construction

Following installation of the pipeline, use of the right-of-way is restricted to operational maintenance of the pipeline except where expressly permitted by the easement or landowner and consistent with other regulations and conditions.

J-12

The permittee shall implement the sign plan approved by State Parks, and dated August 11, 2000, prior to beginning work on the Gaviota Creek Pipeline Lowering and Relocation project. **MONITORING:** EQAP monitor to check in field. *(adopted by the Planning Commission on September 6, 2000)*

K. TRANSPORTATION

K-1. Worker Transportation Program

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall submit to the Planning and Development Department and the Department of Public Works, Road Division a worker transportation program designed to minimize traffic-related impacts. The plan shall identify on- and off-site parking areas, access routes, shuttle program to reduce number of working vehicles on and along pipeline construction corridor, measures to avoid traffic conflicts with residents using all roads affected, number of vehicles accessing the facilities sites and incentives for ride-pooling/van-pooling to the sites. Construction worker traffic and parking shall not interfere with normal and reasonable uses of private property or recreational areas. This Construction Traffic Mitigation Plan shall be submitted by the permittee and approved by County prior to initiation of construction. The program must consider both the permittee employees and contractors.

K-2. Permanent Parking Areas at the Pump Stations

Any new permanent parking areas at the pump stations shall be screened from public view pursuant to the landscape plan approved by the Board of Architectural Review.

K-3. Engineering Plans for All Pipeline Crossings of County Roads

The final engineering plans and procedures for all pipeline crossings of County roads must be approved prior to issuance of the Land Use Permit and Coastal Development Permit by the Department of Public Works. Notification of such approval must be submitted to the Planning and Development Department prior to construction at the site.

K-4. Pipeline Construction Activity Limited to ROW

All pipeline construction activity, except ingress and egress along routes approved by the Planning and Development Department and in consultation with affected property owners, shall be limited to the final staked right-of-way on the final approved pipeline route. Use of any private roads or other areas shall be allowed only after advance approval from the affected property owners.

K-5. Mitigation Plan for Impacted County Roads

Prior to the Final Development Plan, the permittee must submit to the Public Works Department for approval a plan to mitigate impacts to all County roads which will be used during construction. This plan will include the type of vehicles and machinery which will traverse the roads, the frequency of road use for each piece of equipment and vehicle, and the gross vehicle weights loaded and unloaded. This includes the above information for trucks carrying pipe, fuel, construction supplies, or construction crews through the County to the construction spreads. This plan shall include an agreement with the County to repair any obvious damage to the satisfaction of the Public Works Director and any reasonable fees associated with eventual reconstruction caused by project-related damages of the public roads. Prior to drafting this agreement, County shall coordinate with the permittee in compiling a list of County roads which will be used for construction of the pipeline. The permittee shall demonstrate property owner (or Court) approval of private road maintenance plans or terms on privately owned parcels to the Planning and Development and Public Works Department prior to entering upon said parcels for purposes of commencing construction.

K-6

If repairs are necessary to roads used by construction equipment for the Gaviota Creek Pipeline Lowering and Relocation project, the permittee shall either complete the repairs or provide funding as determined by State Parks, County Public Works or Caltrans. **MONITORING:** EQAP monitor to visually inspect roads before and after the construction period. *(adopted by the Planning Commission on September 6, 2000)*

K-7

The permittee shall provide workers at the access road gate and the work site to manage traffic by radio for the duration of the Gaviota Creek Pipeline Lowering and Relocation project. The permittee shall coordinate with PAPCO/PANGL and any subcontractor normally requiring access to the site. **MONITORING:** EQAP monitor to check in field. *(adopted by the Planning Commission on September 6, 2000)*

L. CULTURAL RESOURCES

L-1. Cultural Resources Surveys Plan

Prior to approval of the Final Development Plan, the permittee shall submit a plan detailing the methods for the Phase I (walkover) and Phase II (site importance assessment) cultural resources surveys. In addition, the permittee shall submit all Phase I cultural work completed to date. These reports shall be approved by the Planning and Development Department as part of the Final Development Plan. Prior to issuance of the Land Use Permit and Coastal Development Permit, the permittee shall complete Phase I and Phase II cultural resource surveys for the entire route. The results of these surveys shall be approved by the Planning and Development Department prior to issuance of said permits. The permittee shall avoid to the maximum extent feasible all known cultural resource sites along the pipeline route unless safety (e.g. seismic or engineering practices) considerations or sensitive biological habitats preclude avoidance.

L-2. Cultural Resources Mitigation Plan

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee, in consultation with the Native American Community, shall commence the cultural resources mitigation plan, in accordance with CEQA Appendix K, County approved Prehistoric Archaeological Guidelines, and section 4.1.1.11, Cultural Resources, of the EIR/EIS. Implementation of the mitigation plan shall proceed on an expeditious and effective schedule in order to minimize or to avoid conflicts with other construction scheduling requirements delineated in other permit conditions. The main components of the mitigation plan shall include:

- a) Selection of a qualified archaeologist by the County Resource Management Department in consultation with Native American representatives. The archaeologist shall be available on an as-needed basis through the completion of pipeline construction. The archaeologist shall be funded by the permittee and shall be responsible to the County Planning and Development Department. Compensation shall cover all excavation, analysis, and report preparation for all areas investigated including those found during construction;
- b) Avoidance of known sites wherever feasible;
- c) Test excavations of known sites that cannot be avoided. These test excavations will assess the importance of each site according to CEQA Appendix K criteria or other requirements and will result in appropriate data recovery as a mitigation measure;
- d) Inclusion of Native American representatives in all field activities;
- e) Additional sub-surface sampling (use of shovel test pits) in defined sensitive areas which will be affected by project construction to confirm the presence/absence of previously unknown (undiscovered) sites. This will include surveying of proposed construction access road areas, once identified by the permittee. Any new sites found shall be treated as per condition L-2(b, c);
- f) Following the determination of site importance, the permittee shall inform the County of any additional plans for site avoidance. For those sites not avoided, the consulting archaeologist shall, in consultation with the Native American community, prepare site-specific mitigation (excavation/data recovery) plans; and
- g) Implementation and completion of the field work aspects of the site-specific mitigation plans prior to construction in the vicinity of the resource.

L-3. Pre-Construction Workshop with Native Americans

Prior to pipeline installation activities, the permittee shall sponsor a workshop for its pipeline contractors and Native American consultants to review and explain the mutual concerns and activities of the parties during pipeline installation work.

L-4. Archaeologist and Native American On-Site During Construction

During pipeline installation, a Planning and Development Department approved archaeologist and Native American consultant(s) will work with the contractor during trenching to insure continued avoidance. Adequate monitors shall be provided pursuant to an agreement between the Native American representatives and the permittee, and the archaeologist retained.

L-5. Ownership of Non-Burial Associated Cultural Resource Artifacts

If non-burial associated cultural resource artifacts are recovered during pipeline installation (the location of such artifacts being unknown prior to installation), ownership of such artifacts shall be the option of either the permittee, the Native American Community, or the archaeological community. In recognizing the origin of the materials, the Native American Community shall

have the first option for ownership. The disposition of the artifacts shall be carried out as per the approved County guidelines.

L-6. Burial Associated Artifacts Found During Construction

If burials or burial associated artifacts are found during installation (that were unknown prior to excavation), and cannot be avoided because of safety considerations, there shall be no further excavation or disturbance of the site. The permittee, in conjunction with the Native American representatives and the Planning and Development Department, shall adhere to the guidelines in CEQA Appendix K and the County Archaeological guidelines prior to continued construction activity in the site area.

L-7. Phase II Cultural Resource Guidelines

If the County cultural resource guidelines for Phase II are modified and approved prior to November 19, 1985, the permittee shall abide by the requirements set forth in the guidelines in place at the time of Final Development Plan approval.

L-8

For the Gaviota Creek Pipeline Lowering and Relocation project, construction envelopes shall be restricted to those areas shown on the site plans dated 8/4/99, in order to avoid impacts to the cultural resources. No construction, earth disturbance or construction equipment shall occur or operate outside of these areas. Subsurface structures including septic systems and utilities and accessways including roads, driveways and utilities shall not be placed outside the envelopes. Envelope boundaries shall be staked in the field. Prior to vegetation removal, the proposed easternmost staging area must be delineated and an archaeologist must verify that the staging area is not located over either of CA-SBA-2067/H's recorded historic adobe foundations or that adequate matting (as determined by the Gaviota State Park's archaeologist) is placed over the foundations. **Plan Requirements:** Construction envelopes shall be shown on all grading and building plans. This condition shall be noted on all final plans to describe the activities disallowed outside the approved envelopes. **Timing:** Construction drawings shall be submitted to Planning and Development prior to CDP. Envelopes shall be staked prior to start of grading or structural development. **MONITORING:** During plan check, the planner shall ensure that all construction is to occur within approved envelopes. Staking shall be checked during pre-construction meeting. Planning and Development's EQAP monitor and planners shall inspect and photo document during all construction phases to ensure development is confined to construction envelopes and that staking remains in place during site grading and construction. *(Mitigation Measure AR-1) (adopted by the Planning Commission on September 6, 2000)*

L-9

At the commencement of project construction for the Gaviota Creek Pipeline Lowering and Replacement Project, the archaeological monitor shall give all workers associated with earth-disturbing procedures an orientation regarding the possibility of exposing unexpected cultural remains and directions as to what steps are to be taken if such a find is encountered. **MONITORING:** EQAP monitor to verify orientation is conducted at meeting. *(Mitigation Measure AR-2) (adopted by the Planning Commission on September 6, 2000)*

L-10

For the Gaviota Creek Pipeline Lowering and Replacement project, all earth disturbances including scarification and placement of fill within the archaeological site area shall be monitored by a Planning and Development-qualified archaeologist and a Native American Consultant pursuant to County Archaeological Guidelines. **Plan Requirements and Timing:**

Prior to commencing work, a contract or Letter of Commitment between the applicant and the archaeologist, consisting of a project description and scope of work, shall be prepared. The scope of work must be submitted to Planning and Development for review and comment. **MONITORING:** Planning and Development planners shall confirm monitoring by archaeologist and Planning and Development's EQAP monitor shall spot check field work. *(Mitigation Measure AR-3) (adopted by the Planning Commission on September 6, 2000)*

L-11

In the event archaeological remains are encountered during grading for the Gaviota Creek Pipeline Lowering and Replacement project, work shall be stopped immediately or redirected until a Planning and Development qualified archaeologist and Native American representative are retained by the applicant to evaluate the significance of the find pursuant to Phase 2 investigations of the County Archaeological Guidelines. If remains are found to be significant, they shall be subject to a Phase 3 mitigation program consistent with County Archaeological Guidelines and funded by the applicant. **Plan Requirements/Timing:** This condition shall be printed on construction drawings and submitted to Planning and Development prior to CDP. **MONITORING:** EQAP monitor shall spot check in the field. *(Mitigation Measure AR-4) (adopted by the Planning Commission on September 6, 2000)*

L-12

If human remains are unearthed during the Gaviota Creek Pipeline Lowering and Replacement project, State Health and Safety Code Section 7050.5 requires that no further disturbance shall occur until the County Coroner has made the necessary findings as to origin and disposition pursuant to Public Resources Code Section 5097.98. If the remains are determined to be of Native American descent, the coroner has 24 hours to notify the Native American Heritage Commission (NAHC). The NAHC will then contact the most likely descendent of the deceased Native American. **Plan Requirements/Timing:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor shall spot check in the field. *(Mitigation Measure AR-5) (adopted by the Planning Commission on September 6, 2000)*

M. VISUAL RESOURCES

M-1. Board of Architectural Review Approval

All facility design (e.g. pump stations, landscaping and signs), shall be in accordance with a plan approved by the County Board of Architectural Review (BAR) including the criteria outlined in the Coastal Zoning Ordinance Section 35-87.9 and Section 35-184. Prior to the issuance of the Land Use Permit and Coastal Development Permit, the permittee shall submit to the BAR and the Planning and Development Department and obtain their approval of a plan demonstrating that Conditions M-2 through M-5 are met. For visual screening of surface equipment along the pipeline route, the permittee shall consult with each affected property owner during development of the associated landscaping plan.

M-2. Exterior Lighting

No unobstructed or unshielded beam of exterior lighting shall be directed towards any area outside the exterior boundaries of PPC's property or easement. Any lighting along roadways within the project shall utilize low intensity, ground level, shielded fixtures. The plan shall demonstrate that all feasible measures have been taken to reduce obtrusive night lighting and glow from the pump stations.

M-3. Pump Station Facilities Lighting

To the extent feasible no glare or other radiation resulting from pump station facilities, other than lighting fixtures constructed pursuant to this Development Plan, shall be detectable at any point along or outside the required screening along exterior boundaries of the pump stations.

M-4. Painting of Pump Stations Prior to Pipeline Operation

Prior to the pipeline operation, the Gaviota pump station, visible from Highway 101 and the Gaviota Village, the Sisquoc pump station visible from public viewshed, and all above ground portions of the pipeline shall be painted to harmonize with the surrounding area.

M-5. Visibility of Above-Surface Structures

No above-surface structures except necessary pipeline markers, pump stations, cathodic test stations, necessary fencing, and block valves shall be visible along this route after the completion of pipeline construction. Signs shall not detract from scenic areas or views from public roads to the extent feasible.

M-6. Determination of ROW in Gaviota State Park

Prior to construction, the permittee will review the feasibility of implementing mitigation measures and/or realignments in the Gaviota State Park area to avoid blasting of ridgetops and alteration of topography in a scenic area. The permittee shall submit a plan to the Planning and Development Department, for review and approval, which identifies the feasibility of shifting the ROW alignment to the west, leaving the ridge profile undisturbed. The plan shall include an investigation of utilizing prefabricated pipeline bends to allow for alignment around ridgetops, the use of stepped benches in steep terrain, and the future use of such a corridor for additional pipelines.

M-7

Any exterior night lighting installed on the project site for the Gaviota Creek Pipeline Lowering and Replacement project shall be of low intensity, low glare design, and shall be hooded to direct light downward onto the project site and prevent spill-over onto adjacent areas, especially U.S. Highway 101. In addition, the permittee shall consult with Caltrans on the location and type of lighting to be used to ensure it does not present a traffic hazard. **Plan Requirements and Timing:** This requirement shall be printed on all construction drawings prior to issuance of Coastal Development Permit (CDP). The permittee shall provide Planning and Development with a letter documenting their coordination efforts with Caltrans prior to CDP. **MONITORING:** EQAP monitor to confirm no impacts from night lighting. (*Mitigation Measure V-2) (adopted by the Planning Commission on September 6, 2000)*

N. NOISE

N-1. Noise Monitoring and Control Plan

Prior to issuance of the Coastal Development Permit and Land Use Permit, the permittee shall file with the Planning and Development Department a Noise Monitoring and Control Plan which has been approved previously by the Department of Health Care Services and the Planning and Development Department. The plan shall describe the best efforts the permittee shall take to reduce the noise impacts of the project both during construction and operation of the project. The approved plan shall be implemented by the permittee and shall be followed until temporarily

suspended or deemed no longer necessary by the Planning and Development Department. The plan shall include provisions to ensure that items N-2 through N-6 below are included.

N-2. Sound Levels During Operation

Except for motor vehicles and motorized construction equipment, all facilities shall be designed, constructed, operated and maintained such that sound levels during operation do not exceed 70 dbA at or beyond the property line or pipeline easement, as measured on the "A" weighted scale at slow response on approved sound level measuring instruments. Affected property owners along the pipeline route shall be notified by PPC at least 48 hours in advance of any planned testing or maintenance of the line which may exceed noise standards. The facility shall comply with all standards established in the Noise Element of the Comprehensive Plan and the Coastal Zoning Ordinance. No residents, teachers, students and staff at the Vista del Mar School shall be subjected to greater than a 9 dbA increment above the baseline ambient noise level, nor greater than a 3 dbA increase in day-night sound levels. The best available technology, including but not limited to muffling equipment, sound barriers, and landscaping measures shall be used to minimize operational noise impacts.

N-3. Project-Related Noise During Construction

During the construction and operation phases, project-related noise at the Gaviota State Park, Vista del Mar School, Buellton area, or other points which may be impacted (as determined by the Health Care Services Director), shall be minimized between the hours of 7:00 a.m. and 10:00 p.m. Prior to construction in the impacted areas, the permittee will notify all residents within 1200 feet of the pipeline that noise impacts may occur during specific construction periods. Noise shall be limited to 50 dbA between the hours of 10:00 p.m. and 7:00 a.m., consistent with the County Noise Element and the Coastal Zoning Ordinance. Blasting shall be limited to the hours between 7:00 a.m. and 7:00 p.m. and directional charges shall be used to minimize noise.

N-4. Noise Generating Activities During Construction

As determined by the Planning and Development Department, noise generating project activities (including delivery of construction equipment through residential areas) shall be restricted between the hours of 10:00 p.m. and 7:00 a.m. If complaints arise concerning activities occurring during these hours, the permittee shall take additional feasible steps to reduce the noise levels or further restrict the offending activity.

N-5. Helicopter and Aircraft Noise

Prior to approval of the Final Development Plan, the permittee shall submit to the Director of the Planning and Development Department procedures that the permittee will take to minimize noise impacts from helicopters, or other aircraft during the aerial surveys of pipeline. The procedures, to be approved by the Planning and Development Department, shall specify overflight routes to be taken to minimize noise impacts to the community and other feasible measures. The permittee shall direct its contractors to abide by the helicopter procedures and shall take reasonable corrective action if complaints arise concerning the use of helicopters. Subject to flight safety considerations, the permittee shall avoid helicopter flights over residential areas.

N-6. Operation-Related Equipment Noise

All construction and operation-related equipment shall be operated and maintained to minimize noise generation, ground vibration, and to avoid interference with radio or video communications.

N-7

For the Gaviota Creek Pipeline Lowering and Replacement project, construction activity for site preparation and for future development shall be limited to the hours between 7:00 a.m. and 5:00 p.m. No construction shall occur on State holidays (e.g. Thanksgiving, Labor Day). Construction equipment maintenance shall be limited to the same hours. Non-noise generating construction activities are not subject to these restrictions. For the final pipeline segment tie in activities, work may continue beyond these hours as authorized by State Parks. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor shall spot check and respond to complaints. *(Mitigation Measure N-1) (adopted by the Planning Commission on September 6, 2000)*

O. ABANDONMENT

O-1. Removal of Pipeline and Pump Stations Upon Permanent Shut Down

Immediately following permanent shut down of the pipeline, PPC/Sable shall remove abandoned pump stations and unburied portions of the pipeline within Santa Barbara County constructed under this permit, recontour the site and revegetate the site in accordance with a County approved revegetation plan within one year of permanent shut down. PPC/Sable shall post a performance bond to insure compliance, or continue to pay property taxes as assessed during project operation until site restoration is complete, as determined by the County.

P. SYSTEMS SAFETY AND RELIABILITY

P-1. SSRRC Review of Diagrams

The permittee shall submit all appropriate pump station, valve, and pipeline construction and process diagrams to a System Safety and Reliability Review Committee (SSRRC) who may employ a third-party technical review in order to evaluate pipeline design and help identify possible design hazards prior to construction. The System Safety and Reliability Review Committee shall consist of a representative from the County Public Works Department, the APCD, the County Fire Department, County Flood Control District and the Planning and Development Department. All reasonable costs associated with any County review shall be borne by the permittee. The permittee shall be entitled to participate fully in the review process. If the review reveals a concern, the SSRRC shall share its findings with the permittee. If the permittee does not agree with the findings, the County's recourse is with the Department of Transportation, Office of Pipeline Safety for areas of pipeline construction under the jurisdiction of 49 CFR Part 195 (Transportation of Hazardous Liquids by Pipeline), with the exception of areas/issues agreed to by the permittee and the County.

P-2. Safety Inspection, Maintenance and Quality Assurance Program

The permittee shall submit a detailed Safety Inspection, Maintenance and Quality Assurance Program for the pump stations, valves, and the pipeline which shall be implemented during construction and operations. The Program shall include, but not be limited to, inspection of construction techniques, regular maintenance and safety inspections, periodic safety audits, corrosion monitoring and leak detection, inspections of all trucks carrying hazardous and/or flammable material.

The construction section of the Program shall be reviewed by the System Safety and Reliability Review Committee and/or its consultants prior to issuance of the Coastal Development Permit and Land Use Permit. The permittee shall fund a full-time U.S. Department of Transportation (or designated representative) pipeline inspector during pipeline construction phase activities. The

operations section of the Program shall be reviewed by the System Safety and Reliability Review Committee and/or its consultants prior to start-up. The Program shall be submitted sufficiently prior to the permittee's projected start-up date so as to allow reasonable time for staff review. All costs associated with this review process shall be borne by the permittee. Should the Committee find fault with these submissions, it will indicate its concerns to the permittee. If the permittee decides not to modify its plans to meet these concerns, the County's recourse is with the Department of Transportation, Office of Pipeline Safety for all areas under the jurisdiction of 49 CFR Part 195 (Transportation of Hazardous Liquids by Pipeline). In such a case, County shall timely notify DOT of review findings. Permits may not be withheld or suspended due to County concerns which are under the jurisdiction of 49 CFR Part 195 (Transportation of Hazardous Liquids by Pipeline), with the exception of areas/issues agreed to by the permittee and the County.

P-3. Emergency Response Plan

The permittee shall submit an Emergency Response Plan detailing response procedures to be implemented by the permittee for accidental events affecting public safety and the environment. This plan shall be based on a comprehensive risk analysis reviewed by the System Safety and Reliability Committee (condition P-1). The plan shall be reviewed and approved by the County Emergency Services Coordinator, the Fire Department, and the Planning and Development Department prior to start-up. Approval of the Plan shall be based on its consistency with the County's Area-Wide Oil and Gas Emergency Response Plan. The Program shall be submitted sufficiently prior to the permittee projected start-up date so as to allow reasonable time for staff review. The permittee shall demonstrate the effectiveness of the Emergency Response Plan by responding to one emergency response drill prior to or immediately after start-up.

P-4. Funding the County Emergency Response Plan

In order to assure that County emergency response procedures adequately interface with the permittee's emergency response procedures, the permittee shall provide its reasonable pro-rata share of funds to the County, to develop and implement a feasible County Emergency Response Plan for oil and gas industry related emergencies. As appropriate, the County shall request funds from other oil industry operators to aid in funding of the County Emergency Response Plan. When available, the Planning and Development Department shall provide the permittee with an estimate of the pro rata share of funds to be provided by the permittee and the method for allocating such costs among other operators.

P-5. Oil Spill Contingency Plan

The permittee shall submit an Oil Spill Contingency Plan detailing cleanup procedures and restoration procedures to be employed in the event of a spill. This plan shall be reviewed and approved by the Planning and Development Department and the County Emergency Services Coordinator prior to start-up. The Program shall be submitted sufficiently prior to the permittee projected start-up date so as to allow reasonable time for staff review. Procedures and techniques shall be selected to augment the Emergency Response Plan. The intent of the Oil Spill Contingency Plan is to detail spill site restoration subsequent to emergency response. The plan shall be approved based on its consistency with the intent of the condition "to detail site restoration subsequent to emergency response."

P-6. Site Security Plan

Prior to approval of the Final Development Plan, the permittee shall submit to the Santa Barbara County Sheriff's Department for review and approval a site security plan. The plan shall describe

procedures to be implemented by the permittee which will prevent intentional damage to facilities which may result in environmental damage or public safety hazards.

P-7. Temporary County Fire Company

The permittee shall cooperate with Chevron as necessary to facilitate the establishment of a temporary County fire company until the completion of the fire station (as specified in Chevron condition P-9). Prior to issuance of the Coastal Development Permit and Land Use Permit, the County Emergency Response Coordinator and Fire Department must be satisfied that provisions have been made to establish an operational fire company in the project area.

P-8. Cooperation with Chevron for Gaviota Area Fire Station

Prior to approval of the Final Development Plan, the permittee shall agree to participate in a plan to be submitted to the County Fire Department by Chevron USA Inc., for the construction, manning and equipping of a fire station in the Gaviota area. The permittee shall contribute their pro rata share of the cost of implementing this plan. When available, the Planning and Development Department shall provide the permittee with an estimate of the pro rata share of funds to be provided by the permittee and the method for allocating such costs among other operators.

P-9. Fire Protection Plan for the Pump Stations

Prior to Final Development Plan, the permittee shall submit to and obtain conceptual approval from the Fire Department, a Fire Protection Plan for the pump station locations. Final approval shall be obtained prior to start-up. Criteria to be addressed shall be obtained from the County Fire Department.

P-10 Transporting LPGs and NGLs Through Pipelines

Prior to approval of the Final Development Plan, the permittee shall assess the feasibility of transporting liquefied petroleum gases and natural gas liquids, (LPGs and NGLs) through the proposed pipeline by blending and/or batching, considering industry-wide projected volumes and market destinations of the gas liquids. The permittee shall report to the Planning and Development Department the results of this assessment, and this information shall include all technological and safety constraints involved, amount and type of additional storage facilities needed, and the degree to which LPGs and NGLs produced in the area can be transported through the pipeline. PPC/Sable shall transport the NGLs through this pipeline, to the extent feasible within safety and legal constraints as identified by the report and as requested by the users. In addition, under the reporting provisions of Condition C-1, PPC shall inform the County of the types and amounts of gas liquids shipped in the pipeline during operations.

P-11. Vista del Mar School Accommodation

If the Vista del Mar School has not been relocated or is located at a site where it could be impacted by construction activities, prior to approval of the Final Development Plan, the permittee and the Board Trustees of the Vista Del Mar School District shall develop a reasonable and mutually agreeable construction plan for the pump station site and pipelines adjacent to the site that will minimize construction-related noise, air pollution, and visual disturbance to the School during school hours. Said construction plan shall include the following: Pipeline construction noise near the School shall be held to ambient noise levels or construction shall occur only when school is not in session; to prevent exceedance of the California one-hour NO₂ standard, construction schedules must be modified to minimize overlapping of equipment emissions; and, during construction of

the pipeline, activities nearest the school shall be scheduled when school is not in session in accordance with Condition B-5 and temporary barriers shall be erected around noisiest activities. No grading for the Gaviota pump station shall occur during School session hours.

In the event that any agreements contained herein cannot be reached on the construction plan, the Board of Supervisors shall arbitrate any dispute.

P-12. Deleted.

P-13. Communication at the Operations Control Center and Activated Valves

The permittee will design the pipeline such that the entire pipeline will have effective control communication between the operations control center and all remotely activated valves. Any break, rupture, and/or damage to the pipeline shall result in the orderly shutdown of the pumping operations, and will activate the shut off valves, if appropriate, in a manner which will minimize environmental damage.

P-14. Compliance with the Watershed Fire Protection Plan

During construction of the pipeline in fire sensitive areas, the permittee shall meet or exceed applicable guidelines and requirements set forth in a Watershed Fire Protection Plan provided by the combined local fire protection agencies, Santa Barbara County Fire, U.S. Forest Service, and the California Department of Forestry. This shall include, but not be limited to: modifications of welding operations, required fire patrolman position(s), firefighting equipment, and construction restrictions due to extreme fire weather.

P-15. Compliance with the National Fire Protection Association Standards

All facilities, construction activities and equipment shall comply with National Fire Protection Association standards.

P-16. Map of Finished Pipeline Route

Upon completion of pipeline construction, the permittee shall provide all jurisdictional agencies (S.B. County Fire, USFS, CDF) with at least two copies of maps showing the finished pipeline route and shall include locations accessible by fire department emergency response vehicles. Said maps shall be 7 1/2 minute quadrangle scale, (one inch equals 24,000 inches), and shall represent topographical features.

P-17. Compliance with the 1982 Uniform Fire Code

The permittee shall be subject to required fire department inspections during and after construction as set forth by the 1982 Uniform Fire Code and these conditions.

P-18. Alternative Pipeline Corridor Alignments

Prior to approval of the Final Development Plan, the permittee shall designate alternative pipeline corridor alignments which avoid the two potentially impacted, proposed alternative permanent relocation school sites now under study by the Vista del Mar Union School District. These proposed alternative locations are the State Park at Las Cruces, and the Tajiguas Ranch property. County shall review and approve said alternative alignments as part of the Final Development Plan and the permittee shall implement the appropriate alternative alignment depending on the permanent school relocation site chosen by the Vista del Mar School District.

P-19. PCB Contamination at Canada de la Huerta

Prior to initiation of any pipeline construction at Canada de la Huerta, the permittee shall demonstrate to the satisfaction of Environmental Health Services that either: (1) no PCB contamination exists in the road and fill area across which the pipeline alignment is proposed; or, (2) that any PCB contamination detected has been adequately remediated. The permittee shall submit verification of Environmental Health Services' approval for construction to the Planning and Development Department prior to issuance of the Coastal Development Permit for pipeline construction in the Canada de la Huerta area.

P-20. Soil Tests at the Booster Pump Site

To determine the potential for hazardous materials contamination, AAPLP the permittee shall conduct soil tests at the booster pump site prior to construction, in coordination with the County Environmental Health Services Division.

P-21. Texaco's Emergency Access Road

The permittee shall not operate construction equipment on Texaco's emergency access road except to gain access to and from the construction site.

P-22

The permittee shall coordinate with PAPCO/PANGL to stake their pipelines prior to any excavation work for the Gaviota Creek Pipeline Lowering and Relocation project. Also, the permittee shall stake their existing 30" crude oil line prior to any excavation work. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** The EQAP monitor shall verify that the pipelines have been staked prior to construction. *(Mitigation Measure R-2) (adopted by the Planning Commission on September 6, 2000)*

P-23

For the Gaviota Creek Pipeline Lowering and Relocation project, if necessary, equipment needed within the creekbed should access the site from the west side so as not to cross the existing oil and gas lines. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to verify compliance in the field. *(Mitigation Measure R-3)(adopted by the Planning Commission on September 6, 2000)*

P-24

If any discolored or contaminated soil is encountered during construction of the Gaviota Creek Pipeline Lowering and Relocation project, the permittee shall suspend work activities in the immediate area and report to Protection Services Division (PSD) and the Energy Division immediately. PSD shall inspect the site with the permittee and shall determine the extent of the contamination. The permittee shall proceed as directed by PSD and the Energy Division should contamination be found. Such direction may include preparation of a Site Assessment and Work Plan, and site remediation if deemed necessary. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to verify compliance in the field. *(Mitigation Measure R-4) (adopted by the Planning Commission on September 6, 2000)*

P-25

Portable catch basins shall be placed beneath cut points prior to and for the duration of cutting activities for the Gaviota Creek Pipeline Lowering and Relocation project. A vacuum truck shall be onsite until all pipeline drainage and repair operations are completed. **Plan Requirements:** These requirements shall be printed on construction drawings. **MONITORING:** EQAP

monitor to verify compliance in the field. (*Mitigation Measure R-5) (adopted by the Planning Commission on September 6, 2000)*)

P-26

Following installation of the new pipeline segment at Gaviota Creek, use of the right-of-way shall be restricted to the pipeline easement. **MONITORING:** EQAP monitor to spot check in the field. (*adopted by the Planning Commission on September 6, 2000*)

P-27

The permittee shall, at all times during construction of the new pipeline segment at Gaviota Creek, provide onsite fire protection (water tanker, shovels and fire extinguishers). **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to spot check in the field. (*Mitigation Measure F-1) (adopted by the Planning Commission on September 6, 2000)*)

P-28

For the Gaviota Creek Pipeline Lowering and Replacement project, a fire watch shall be maintained for at least one half hour after completion of cutting or welding operations to detect and extinguish smoldering fires if operations occur within 10 feet of combustibles. Hot work permits and fire watch operations shall be coordinated through County Fire. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to monitor in the field. (*Mitigation Measure F-2) (adopted by the Planning Commission on September 6, 2000)*)

P-29

If welding trucks are used for the Gaviota Creek Pipeline Lowering and Replacement project, the vehicles shall be inspected and a permit issued at Fire Station 18. This would ensure that all hoses are adequate, a fire extinguisher is available, and a spark arrester is installed on any motor. **Plan Requirements:** The permittee to acquire a permit from Station 18. **MONITORING:** EQAP monitor to verify permit received prior to construction. (*Mitigation Measure F-3) (adopted by the Planning Commission on September 6, 2000)*)

P-30

The permittee shall notify the Fire Department at least 48 hours before construction may begin for the Gaviota Creek Pipeline Lowering and Replacement project. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to verify prior to construction. (*Mitigation Measure F-4) (adopted by the Planning Commission on September 6, 2000)*)

P-31

The permittee shall clear vegetation 10 feet on each side of the PAPCO/PANGL vault access road, staging areas, and along access portions of the pipeline right-of-way to 6 inches prior to construction of the Gaviota Creek Pipeline Lowering and Replacement Project. Vegetation near the cultural site at the Road 28 gate shall be hand cut to avoid adverse impacts to the site. **Plan Requirements:** This condition shall be printed on construction drawings. **MONITORING:** EQAP monitor to field check prior to construction. (*Mitigation Measure F-5) (adopted by the Planning Commission on September 6, 2000)*)

Q. FACILITY DESIGN

Q-1. Demonstration of Compliance

The Final Development Plan shall demonstrate compliance with Santa Barbara County Coastal Zoning Ordinance, and other applicable County Ordinances to the extent required by this permit.

Q-2. Energy Conservation Techniques

Cost effective energy conservation techniques shall be incorporated into project design.

Q-3. Common Carrier Pipeline

PPC's facilities will be operated as a common carrier pipeline with access for use available on a nondiscriminatory basis. County retains the right to verify that the use of the facilities is conforming with County policies on consolidation and to impose additional reasonable permit conditions where necessary to assure these policies are being fulfilled to the extent feasible. The intent of this condition is to ensure the multi-company access of oil transportation facilities.

Q-4. Compliance with County Petroleum Ordinance No. 2795

PPC shall comply with all applicable policies in Section 25 of the Santa Barbara County Petroleum Ordinance No. 2795.

Q-5. Power Transmission Lines

The permittee shall fund a pro-rata share of the costs to bury power transmission lines or of using environmentally and aesthetically preferred poles between the Goleta Substation and Gaviota in areas where the County and SCE determine it is not feasible to bury the lines. The permittee's pro-rata share shall be based upon an equitable cost-sharing formula applied to all users of the grid power consistent with PUC rate setting and applicable regulations.

ATTACHMENT C – NOTICE OF EXEMPTION

NOTICE OF EXEMPTION

TO: Santa Barbara County Clerk of the Board of Supervisors

FROM: Jacquelyn Ybarra, Planner, Energy Minerals & Compliance Division

The project or activity identified below is determined to be exempt from further environmental review requirements of the California Environmental Quality Act (CEQA) of 1970, as defined in the State and County Guidelines for the implementation of CEQA.

APN: Various **Case No.:** Not Applicable

Location: 12000 Calle Real, Goleta California, and 122 linear miles beginning at the Las Flores Pump Station to the Pentland Delivery Point

Project Title: Change of Owner, Change of Guarantor, and/or Change of Operator for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline System

Project Applicant: Sable Offshore Corporation (Sable)

Project Description: Applicant requesting approval of the following:

1. A Change of Owner, Change of Operator, and Change of Guarantor of the Santa Ynez Unit (SYU) Final Development Plan (FDP) Permit No. 87-DP-32cz (RV06), from ExxonMobil Corporation to Sable;
2. A Change of Operator and Change of Guarantor of the Pacific Offshore Pipeline Company (POPCO) Gas Plant FDP Permit No. 93-FDP-015 (AM03) from ExxonMobil Corporation to Sable; and
3. A Change of Operator and Change of Guarantor of the Las Flores Pipeline System FDP Permit No. 88-DPF-033 (RV01)z, 88-CP-60 (RV01)(88-DPF-25cz;85-DP-66cz; 83-DP-25cz) from ExxonMobil Pipeline Company and ExxonMobil Corporation to Sable respectively.

Sable purchased the SYU and acquired POPCO and Pacific Pipeline Company (PPC), the owners of the POPCO Gas Plant and the Las Flores Pipeline System respectively, on March 14, 2024. Sable is now the sole owner of the SYU, and both POPCO and PPC are now wholly owned subsidiaries of Sable. Sable would operate the SYU, POPCO Gas Plant, and Las Flores Pipeline System, and would be the Guarantor using self-insurance and/or other financial guarantees to support financial demonstration for the operation and future abandonment of the facilities and pipelines.

Name of Public Agency Approving Project: County of Santa Barbara, Planning and Development Department

Name of Person or Entity Carrying Out Project: Sable Offshore Corporation

Exempt Status:

☐ Ministerial
☐ Statutory Exemption
☐ Categorical Exemption
☐ Emergency Project
☐ Declared Emergency
☒ Not a Project

Cite specific CEQA and/or CEQA Guidelines Section: 15378(b)(5); the proposed action does not constitute a project as defined in CEQA.

Reasons to support exemption findings: The requests are exempt from environmental review pursuant to the California Environmental Quality Act (CEQA) Guidelines Section 15378(a), as the proposed actions do not constitute a “project” as defined in CEQA. Section 15378(a) states, in part:

“Project” means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonable foreseeable indirect physical change in the environment...”

Section 15378(b)(5) specifically exempts “organizational or administrative activities of governments that will not result in direct or indirect physical changes to the environment” from this definition. The approval of permit changes to reflect a new ownership, guarantor, and/or operator is an administrative action that does not involve any physical modifications to the existing facilities. Under the request, the Owner, Guarantor, and Operator of the SYU would change from ExxonMobil Corporation to Sable, the Guarantor and Operator of the POPCO Gas Plant would change from ExxonMobil Corporation to Sable, and the Guarantor and Operator of the Las Flores Pipeline System would change from ExxonMobil Corporation and ExxonMobil Pipeline Company to Sable respectively. No physical changes to the facilities are proposed under this request. Therefore, no environmental review is required.

Lead Agency Contact Person: Jacquelynn Ybarra, Senior Planner, Energy Minerals & Compliance Division

Phone #: 805-568-2047

Email: jybarra@countyofsb.org

Department/Division Representative:



Errin Briggs, Deputy Director, Energy Minerals & Compliance Division

Change of Owner, Operator, and/or Guarantor
SYU, POPCO Gas Plant, and Las Flores Pipeline System
Hearing of October 30, 2024
Attachment C
Page 3

Date: October 22, 2024

Acceptance Date: _____

Distribution: _____

Date Filed by County Clerk: _____

ATTACHMENT D
25B PERMIT AMENDMENT APPLICATIONS



March 14, 2024

Ms. Lisa Plowman
Director of Planning & Development
County of Santa Barbara Planning
Department 123 E Anapamu St., Suite 18
Santa Barbara, California
93101 Email:
pad@countyofsb.org

Re: Application for Change of Owner, Operator and Guarantor of Oil and Gas
Facilities: Santa Ynez Unit ("SYU") Project

Dear Ms. Plowman:

Sable Offshore Corp. ("Sable" or "Applicant") hereby submits to Santa Barbara County ("County") Planning and Development its application, per County Code of Ordinances Section 25B, for Change of Owner, Change in Guarantor, and Change in Operator for the Santa Ynez Unit. Sable acquired full ownership of SYU from Exxon Mobil Corporation ("EM") on February 14, 2024.

We understand that this application will be considered jointly with Sable's separately filed applications for Change of Owner, Operator and Guarantor of Oil and Gas Facilities for Las Flores Pipeline and for Pacific Offshore Pipeline Company ("POPCO") also acquired by Sable on February 14, 2024. We also understand that a single joint application deposit of \$12,500 will be assessed and billed to Sable following the establishment of a case number.

SYU is covered by Santa Barbara County Final Development Permits 87-DP-32cz (Modified on July 25, 2001 with 87-DP-032cz (RV05) Synergy Project) (Modified on February 19, 2003 with 87-DP-032cz (RV06) Offshore Power Cable Repair & Enhancement Project)

Sable provides the following information relevant to the Planning Director's and/or the Planning Commission's consideration of the described changes:

Information Required by Section

Chapter 25B-6(f)(2)(b) – Applicants information

New Owner, Operator and Guarantor

Name: Sable Offshore Corp.

Address: 845 Texas Ave., Suite 2920, Houston, TX 77002

Name of Authorized Representative: J. Caldwell Flores, President

Address of Authorized Representative: 845 Texas Ave., Suite 2920, Houston, TX 77002

Description of Corporate Organization: Sable is a Delaware corporation that is traded on the New York Stock Exchange under the ticker symbol "SOC".

Any Expiry Date: None

Chapter 25B-6(f)(2)(b) – Detailed statement of changes

Sable has replaced Exxon Mobil Corporation as the Owner of SYU.

Sable has replaced Exxon Mobil Corporation as the Guarantor of all SYU obligations.

Sable has replaced Exxon Mobil as the operator of SYU.

Chapter 25B-6(f)(2)(c) – General Background Information on Owner, Guarantor and Operator

Sable Offshore Corp.

Sable is a Delaware corporation that is traded on the New York Stock Exchange under the ticker symbol "SOC". Please see Attachment A for information regarding Sable.

Chapter 25B-6(f)(2)(d) – Financial Information on Owner, Guarantor and Operator

Sable's Securities and Exchange Commission filings, including annual financial statements (Form 10-K) and quarterly financial statements (Form 10-Q) are available at the following website address:

<https://sableoffshore.com/financials/sec-filings/default.aspx>

See also Enterprise Value and Post-Close Financials included in as Attachment B which demonstrated Sable's Enterprise Value of over \$1.35 billion.

Chapter 25B-6(f)(2)(e) – Letter accepting permit

A letter from a responsible official representing the owner and operator formally accepting all conditions and requirements of the permit is provided as Attachment C.

Chapter 25B-6(f)(4) – Documentation to meet findings for Change in Owner

All documentation needed to make the findings required by this chapter, where applicable, for facility safety audit and compliance with existing requirements.

Fees and Exactions: Sable believes that all required fees and exactions due for the Pipeline have been paid.

Financial Guarantees: Sable is not aware of any financial guarantees required by the County Code nor by the subject FDP.

Acceptance of permit: A letter from a responsible official representing the new owner formally accepting all, conditions and requirements of the permit is provided as Attachment C.

Facility Safety Audit: Sable has been provided a copy of the July 16-17, 2014 Safety Inspection Maintenance and Quality Assurance Program (“SIMQAP”) audit, along with a description of the status of implementing its recommendations. We understand that this is the most recent SIMQAP audit. During the facility preservation SIMQAP audits were discontinued. The County Fire Department and the County Air Pollution Control District continue routine inspections of the facility.

Compliance with existing requirements: Sable believes that it is in compliance with all requirements of the permit, including any requirements of a County-required safety audit, any notice of violation and any County ordinance.

Chapter 25B-9(e)(1) – Documentation to meet findings for Change in Guarantor

Financial guarantees: Sable is not aware of any financial guarantees required by the County Code nor by the subject FDP.

Chapter 25B-6(f)(5) – Additional information for Change of Operator

All documentation needed to make the findings required by this chapter for facility safety audit, compliance with existing requirements, and compliance plans.

Fees and Exactions: Sable believes that all required fees and exactions due for the SYU have been paid.

Financial Guarantees: Sable is not aware of any financial guarantees required by the County Code nor by the subject FDP.

Acceptance of permit: A letter from a responsible official representing the new operator formally accepting all conditions and requirements of the permit is provided as Attachment C.

Facility Safety Audit: See Facility Safety Audit Response in previous section.

Compliance with existing requirements: Sable believes that it is in compliance with all requirements of the permit, including any requirements of a County-required safety audit, any notice of violation and any County ordinance.

Compliance Plans: Sable has updated the SIMQAP as well as the Fire Protection Plan. These documents are included as Attachment D and E, respectively. The Emergency Response Plan and the Oil Spill Response Plans are being updated with current emergency contact information. Sable agrees to revise all other plans required by the permit or any County ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate County official within six months after assuming operations.

Transitional Plan: Attachment F contains the Sable SYU and POPCO Transition Plan.

Emergency Response Plan Drills: The Oil Spill Response Plan was last exercised by the previous owner on September 21, 2023 and exercise credit was approved by Bureau of Safety and Environmental Enforcement ("BSEE") on the same date. The Incident Management Team which transferred to employment with Sable has extensive experience exercising response plans for SYU. As required by this finding, the employees have adequately performed one or more County approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.

Operator Capability: Sable will be managed by James C. Flores and a management team that have historically worked with Mr. Flores in the oil and gas exploration and production business, many for more than thirty years. (See Attachment A, Slide 2 from Investor Slide Deck). This group has a strong record of operating safely and successfully in many jurisdictions including California and the Pacific Region of the U.S. Outer Continental Shelf. Members of this management team and the companies they have managed have won numerous awards for operational excellence from the National Safety Council, the California Department of Conservation Division of Geologic Energy Management and the U.S. Bureau of Land Management. Specific to the County, Plains Exploration & Production Company, under direct management of this team, was awarded the County's first and only "Resolution for Good Operator" recognizing outstanding

operator performance and a County Commendation for outstanding maintenance practices.

The management team has extensive experience operating in the Pacific Ocean, Onshore California, and in the Gulf of Mexico for many years. Operations previously supervised by this group include Platform Irene, the Lompoc Oil & Gas Plant and associated pipelines, Platforms Harvest, Hidalgo, Hermosa and the Gaviota Oil & Gas Plant and associated pipelines, as well as operations in the Bakersfield and Los Angeles basins. (See Attachment A, Slide 4 from Investor Slide Deck).

The operating team in California includes essentially the entire workforce of the prior owner/operator of 48 individuals who signed on with Sable and who have been operating and maintaining the facilities under EM. The average employee of the transitioned operating team has over 18 years of oil and gas experience, while Sable as a whole averages over 22 years of experience. The same well-trained, experienced, and knowledgeable team will continue to fill this role. This team has an excellent safety record, is very familiar with the facilities, understands the operating requirements for these facilities, and is trained and ready to respond to an incident if needed. They have an excellent record of compliance with the many plans and permit conditions.

Sable has contracted with several industry-leading service companies familiar with SYU and experienced in oil and gas operations. Sable has continued relationships with EM contactors that have long term histories of supplying the facility with workforce in areas including base maintenance and construction, safety services, landscaping, security, material handling and inventory management, third party testing and inspection services, nondestructive material evaluation, coatings evaluation and restoration, and Department of Transportation ("DOT") required pipeline integrity management inspections.

Sable will maintain SYU according to the SIMQAP. Sable will continue current operations including performing ongoing routine equipment and pipeline evaluations on schedules specified by BSEE, the County Planning & Development Department, the County Air Pollution Control District permits, DOT and Sable policy. In addition, the County Systems Safety Reliability Review Committee will conduct SIMQAP audits.

Under direction of the aforementioned management team, Sable has the extensive operations experience, skills and training necessary to operate SYU in

compliance with all applicable County, State and Federal codes.

The above sections provide those items specifically identified in Chapter 25B as necessary to make findings for the transfer of the development permit. Attachment G contains the following forms identified in the preapplication meeting as being required for this transfer: Master Application, Indemnification Agreement, Energy and Minerals Div Agreement to Pay.

Pursuant to County Code of Ordinances Section 25B-11, Sable agrees to pay any processing fees related to this application and will provide the required deposit to cover a portion of the case processing fees. We understand that an invoice for the required payment will be transmitted to Sable shortly.

Please contact Patrice Surmeier at 805 567-9503 or PSurmeier@SableOffshore.com if any additional information is required.

Sincerely,

SABLE OFFSHORE CORP.

Steve Rusch

Steven P. Rusch
VP, Regulatory & Environmental Affairs

Attachments

cc: Errin Briggs
John Zorovich

Attachment A
Investor Slide Deck

Sable Offshore Corp.

Investor Presentation

December 2023

SABLE
OFFSHORE



2 Sable – Management Team

Sable has Re-Assembled its Premier Management and Operations Team

Jim Flores

Chairman of the Board and Chief Executive Officer



- Mr. Flores is Sable's founder and has served as the Chairman and Chief Executive Officer since its inception
- From May 2017 until February 2021, Mr. Flores served as Chairman, Chief Executive Officer and President of Sable Permian Resources
- Prior to Sable Permian Resources, Mr. Flores served as Vice Chairman of Freeport-McMoRan, Inc. and CEO of Freeport-McMoRan Oil & Gas, a wholly owned subsidiary of Freeport-McMoRan Inc.
- From 2001 until 2013, Mr. Flores was the Chairman, CEO and President of Plains Exploration & Production Company and Chairman and CEO of Plains Resources Inc.
- Mr. Flores founded and oversaw the IPO of Flores & Rucks, renamed Ocean Energy, and served multiple offices including President, CEO, Vice Chair and Chairman through 2001

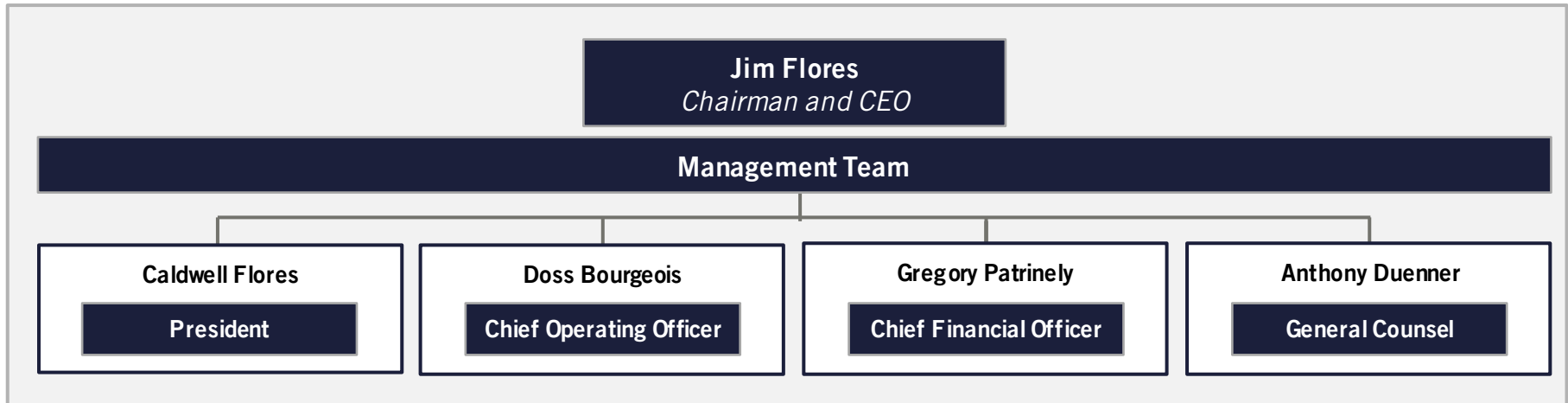
Gregory Patrinely

Executive Vice President and Chief Financial Officer



- Mr. Patrinely has served as Executive Vice President and Chief Financial Officer of Sable since its inception
- From June 2018 until February 2021, Mr. Patrinely served as Executive Vice President and Chief Financial Officer of Sable Permian Resources
- Mr. Patrinely previously served as Treasurer for Sable Permian Resources, from May 2017 to June 2018, where he oversaw the financial analysis and execution of refinancing, restructuring and acquisition efforts
- Prior to Sable Permian Resources, Mr. Patrinely was a Manager in the Acquisitions & Divestments Group of Freeport-McMoRan Oil & Gas, a wholly owned subsidiary of Freeport-McMoRan Inc.

Sable Organizational Structure



3 Sable Management Team Has a Strong ESG & Operational Track Record in California

Sable Management Team is an Award-Winning California Operator

Offshore Highlights

- In 2004, Received Santa Barbara County's First and Only "Resolution for Good Operator" Recognizing PXP's Outstanding Operating Performance
- In 2004, Ranked MMS's Best Operator in the Pacific OCS for Safety of Platform and Pipeline Operations
- In 2008, Santa Barbara County Commendation for Outstanding Maintenance Practices at LOGP



- **2011:** Occupational Excellence Achievement Award for 21 PXP locations
- **2010:** Occupational Excellence Achievement Award for PXP's California Los Angeles Basin San Vicente and Packard locations
- **2009 – 2010:** Perfect Record Award for operating 11,390 employee hours without occupational injury or illness involving days away from work
- **2009:** National Industry Leadership Award
- **2008:** Occupational Excellence Achievement Awards for Outstanding Safety Practices
- **2007:** Occupational Excellence Achievement Awards for Outstanding Safety Practices



- **2008:** Recipient of the Environmental Lease Maintenance Award
- **2007:** Recipient of the Environmental Lease Maintenance Award
- **2006:** Recipient of the Clean Lease Awards
- **2006:** Recipient of the Environmental Lease Maintenance Award
- **2005:** Recipient of the Environmental Lease Maintenance Award
- **2004:** Recipient of the Environmental Lease Maintenance Award



- **2006:** U.S. Bureau of Land Management Operator of the Year Award
- **2006:** Best Management Practices National Award in the area of Habitat Conservation

Attachment B
Enterprise Value and Post-Close Financials

Enterprise Value and Post-Close Financials

Post-close, pro forma Sable Offshore Corp. has an Enterprise Value over \$1.3bn.

Common Stock Composition at Close

Common Stock	Shares	%
Public stockholders ⁽¹⁾	5,953,859	10%
Initial stockholders ⁽²⁾	7,187,500	12%
Merger consideration shares	3,000,000	5%
PIPE Investors	44,024,910	73%
Total shares outstanding at close	60,166,269	100%

Enterprise Value Build

(US Dollars in Millions, except for Shares Outstanding)

Share Price (as of 3/1/2024)	\$12.20
(x) Shares Outstanding, mm	60.17
Equity Value	\$734
(+) Term Loan with 10% annual PIK	\$764
(-) Cash	\$151
Enterprise Value	\$1,347

Unaudited PF Combined Financials (9 months ended 9/30/2023)

(US Dollars in Thousands)	FLME	SYU	Txn. Adj.	PF SOC
Total Revenue	\$ -	\$ -	\$ -	\$ -
Operating Expenses				
O&M	-	43,167	-	43,167
DD&A	-	15,764	(6,140)	9,624
G&A	-	9,107	13,288	22,395
Operating costs	3,485	-	-	3,485
Total operating expenses	3,485	68,038	7,148	78,671
Loss from operations	(3,485)	(68,038)	(7,148)	(78,671)
Interest income	3,841	-	(3,841)	-
Change in fair value	(2,967)	-	(38)	-
Other expense	-	(533)	-	(533)
Interest expense	-	-	(63,014)	(63,014)
Total other income (expense), net	874	(533)	(66,893)	(66,552)
Loss before provision	(2,611)	(68,571)	(74,041)	(145,223)
Provision for income taxes	786	-	-	786
Net Loss	\$ (3,397)	\$ (68,571)	\$ (74,041)	\$ (146,009)

(1) This excludes 14,375,000 Public Warrants issued in the Company IPO convertible to Common Stock at a price of \$11.50 per share subject to the conditions described in the 8-K and S-1.

(2) This excludes 7,750,000 Private Placement Warrants convertible into Common Stock at a price of \$11.50 per share and 3,306,370 Private Placement Warrants convertible into Common Stock at a price of \$11.50 per share subject to the conditions described in the 8-K and S-1.

Attachment C
Acceptance of Permit Conditions

AGREEMENT TO COMPLY WITH CONDITIONS OF APPROVAL

OWNER(S) and OPERATOR OF RECORD for the Santa Ynez Unit, hereinafter referred to as the PROPERTY.

MONITORING AND REPORTING. This agreement is made to ensure that all conditions of approval for the ExxonMobil Santa Ynez Unit Expansion Project, Final Development Plan 87-DP-32cz (Modified on July 25, 2001 with 87-DP-032cz (RV05) Synergy Project) (Modified on February 19, 2003 with 87-DP-032cz (RV06) Offshore Power Cable Repair & Enhancement Project) are complied with and that all monitoring and reporting actions required of the OWNER(S) / OPERATOR OF RECORD shall be fulfilled.

OWNER(S) and OPERATOR OF RECORD hereby agrees to allow the County or its representatives onto the PROPERTY, at 12000 Calle Real, Goleta CA 93117 to monitor and ensure compliance with all conditions of approval and/or to gather information relevant for reporting purposes and compliance with the conditions of approval.

FEES. The OWNER(S) and OPERATOR OF RECORD understands and agrees that they shall promptly pay all fees for monitoring compliance or enforcing conditions as required by conditions of the Final Development Plan.

PENALTIES FOR NON-COMPLIANCE. OWNER(S) and OPERATOR OF RECORD acknowledges that the County of Santa Barbara retains the right to bring any action which it determines is necessary to require compliance by OWNER with all conditions of approval. The County of Santa Barbara further retains the right to seek all remedies and sanctions for non-compliance, either criminal or civil, as may be provided for by law.

By signing this document, the OWNER(S) / OPERATOR OF RECORD agrees to comply with all conditions of approval.

I (WE) accept and agree to all terms, restrictions and obligations set forth in this agreement either expressly or by reference and incorporation.

Executed at on the _____ day of _____, 2024.

OWNER and OPERATOR

By  Date 03-14-2024

J. Caldwell Flores
President
Sable Offshore Corp.



March 14, 2024

Ms. Lisa Plowman
Director of Planning & Development
County of Santa Barbara Planning
Department 123 E Anapamu St., Suite 18
Santa Barbara, California
93101 Email:
pad@countyofsb.org

Re: Application for Change of Owner, Operator and Guarantor of Oil and Gas
Facilities: Pacific Offshore Pipeline Company (POPCO)

Dear Ms. Plowman:

Pacific Offshore Pipeline Company ("POPCO") and Sable Offshore Corp. ("Sable") (collectively the "Applicants") hereby jointly submit to Santa Barbara County ("County") Planning and Development their application, per County Code of Ordinances Section 25B, for Change of Owner, Change in Guarantor, and Change in Operator for the POPCO facilities. Sable acquired full ownership of all outstanding shares of POPCO from Exxon Mobil Corporation ("EM"), on February 14, 2024. We do not believe this transaction constitutes a change in ownership as defined in the ordinance; however, we are submitting the ownership transfer application out of an abundance of caution.

We understand that this application will be considered jointly with Sable's separately filed applications for Change of Owner, Operator and Guarantor of Oil and Gas Facilities for Las Flores Pipeline and for the Santa Ynez Unit ("SYU") also acquired by Sable on February 14, 2024. We also understand that a single joint application deposit of \$12,500 will be assessed and billed to Sable following the establishment of a case number.

POPCO is covered by County Final Development Permit 93-FDP-015 and 74-CP-II (RVI) (the "FDP").

Sable provides the following information relevant to the Planning Director's and/or the Planning Commission's consideration of the described changes:

Information Required by Section

Chapter 25B Chapter 25B-6(f)(2)(b) – Applicants information

Owner

Name: Pacific Offshore Pipeline Company

Address: 845 Texas Ave., Suite 2920, Houston, TX 77002

Name of Authorized Representative: William S. Flores

Address of Authorized Representative: 845 Texas Ave., Suite 2920, Houston, TX 77002

Description of Corporate Organization: POPCO is a wholly owned subsidiary of Sable Offshore Corp.

Any Expiry Date: None

New Operator and Guarantor

Name: Sable Offshore Corp.

Address: 845 Texas Ave., Suite 2920, Houston, TX 77002

Name of Authorized Representative: J. Caldwell Flores, President

Address of Authorized Representative: 845 Texas Ave., Suite 2920, Houston, TX 77002

Description of Corporate Organization: Sable is a Delaware corporation that is traded on the New York Stock Exchange under the ticker symbol "SOC".

Any Expiry Date: None

Chapter 25B-6(f)(2)(b) – Detailed statement of changes

POPCO remains the legal owner of the POPCO facilities. Ownership and control of POPCO has changed from Exxon Mobil Corporation to Sable.

Sable has replaced Exxon Mobil Corporation as the Guarantor of all POPCO obligations.

Sable has replaced Exxon Mobil Corporation as the operator of POPCO.

Chapter 25B-6(f)(2)(c) – General Background Information on Owner, Guarantor and Operator

Sable Offshore Corp.

Sable is a Delaware corporation that is traded on the New York Stock Exchange under the ticker symbol "SOC". Please see Attachment A for information regarding Sable.

Pacific Offshore Pipeline Company

POPCO is a wholly owned subsidiary of Sable and the owner of the POPCO facilities.

Chapter 25B-6(f)(2)(d) – Financial Information on Owner, Guarantor and Operator

Sable's Securities and Exchange Commission filings, including annual financial statements (Form 10-K) and quarterly financial statements (Form 10-Q) are available at the following website address:

<https://sableoffshore.com/financials/sec-filings/default.aspx>

See also Enterprise Value and Post-Close Financials included in as Attachment B which demonstrated Sable's Enterprise Value of over \$1.35 billion.

POPCO as a wholly owned subsidiary of Sable is included in the consolidated financial statements of Sable. POPCO does not issue stand-alone financial statements.

Chapter 25B-6(f)(2)(e) – Letter accepting permit

A letter from a responsible official representing the owner and operator formally accepting all conditions and requirements of the permit is provided as Attachment C.

Chapter 25B-6(f)(4) – Documentation to meet findings for Change in Owner

All documentation needed to make the findings required by this chapter, where applicable, for facility safety audit and compliance with existing requirements.

Fees and Exactions: POPCO believes that all required fees and exactions due for the Pipeline have been paid.

Financial Guarantees: POPCO is not aware of any financial guarantees required by the SBC Code nor by the subject FDP.

Acceptance of permit: A letter from a responsible official representing the new owner formally accepting all, conditions and requirements of the permit is provided as Attachment C.

Facility Safety Audit: POPCO has been provided a copy of the July 16-17, 2014 Safety Inspection Maintenance and Quality Assurance Program ("SIMQAP") audit, along with a description of the status of implementing its recommendations. We understand that this is the most recent SIMQAP audit.

During the facility preservation SIMQAP audits were discontinued. County Fire Department and County Air Pollution Control District continue routine inspections of the facility.

Compliance with existing requirements: POPCO believes that it is in compliance with all requirements of the permit, including any requirements of a County-required safety audit, any notice of violation and any County ordinance.

Chapter 25B-9(e)(1) – Documentation to meet findings for Change in Guarantor

Financial guarantees: Sable is not aware of any financial guarantees required by the County Code nor by the subject FDP.

Chapter 25B-6(f)(5) – Additional information for Change of Operator

All documentation needed to make the findings required by this chapter for facility safety audit, compliance with existing requirements, and compliance plans.

Fees and Exactions: Sable believes that all required fees and exactions due for the SYU have been paid.

Financial Guarantees: Sable is not aware of any financial guarantees required by the County Code nor by the subject FDP.

Acceptance of permit: A letter from a responsible official representing the new operator formally accepting all, conditions and requirements of the permit in provided as Attachment C.

Facility Safety Audit: See Facility Safety Audit Response in previous section.

Compliance with existing requirements: Sable believes that it is in compliance with all requirements of the permit, including any requirements of a County-required safety audit, any notice of violation and any County ordinance.

Compliance Plans: Sable has updated the SIMQAP as well as the Fire Protection Plan. These documents are included as Attachment D and E, respectively. The Emergency Response Plan and the Oil Spill Response Plans are being updated with current emergency contact information. Sable agrees to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations.

Transitional Plan: Attachment F contains the Sable SYU and POPCO Transition Plan.

Emergency Response Plan Drills: The Oil Spill Response Plan was last

exercised by the previous owners on September 21, 2023 and exercise credit was approved by Bureau of Safety and Environmental Enforcement (“BSEE”) on the same date. The Incident Management Team which transferred to employment with Sable has extensive experience exercising response plans for the site. As required by this finding, the employees have adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.

Operator Capability: Sable will be managed by James C. Flores and a management team that have historically worked with Mr. Flores in the oil and gas exploration and production business, many for more than thirty years. (See Attachment A Slide 2 from Investor Slides Deck). This group has a strong record of operating safely and successfully in many jurisdictions including California and the Pacific Region of the U. S. Outer Continental Shelf. Members of this management team and the companies they have managed have won numerous awards for operational excellence from the National Safety Council, the California Department of Conservation Division of Geologic Energy Management and the U.S. Bureau of Land Management. Specific to the County, Plains Exploration & Production Company, under direct management of this team, was awarded the County’s first and only “Resolution for Good Operator” recognizing outstanding operator performance and a County Commendation for outstanding maintenance practices.

The management team has extensive experience operating in the Pacific Ocean, Onshore California, and in the Gulf of Mexico for many years. Operations previously supervised by this group include Platform Irene, the Lompoc Oil & Gas Plant and associated pipelines, Platforms Harvest, Hidalgo, Hermosa and the Gaviota Oil & Gas Plant and associated pipelines, as well as operations in the Bakersfield and Los Angeles basins. (See Attachment A Slide 4 from Investor Slide Deck).

The operating team in California includes essentially the entire workforce of the prior owner/operator of 48 individuals who signed on with Sable and who have been operating and maintaining the facilities under EM. The average employee of the transitioned operating team has over 18 years of oil and gas experience, while Sable as a whole averages over 22 years of experience. The same well-trained, experienced, and knowledgeable team will continue to fill this role. This team has an excellent safety record, is very familiar with the facilities, understands the operating requirements for these facilities, and is trained and ready to respond to an incident if needed. They have an excellent record of compliance with the many plans and permit conditions.

Sable has contracted with several industry-leading service companies familiar

with SYU and experienced in oil and gas operations. Sable has continued relationships with EM contactors that have long term histories of supplying the facility with workforce in areas including base maintenance and construction, safety services, landscaping, security, material handling and inventory management, third party testing and inspection services, nondestructive material evaluation, coatings evaluation and restoration, and Department of Transportation (DOT) required pipeline integrity management inspections.

Sable will maintain SYU according to the SIMQAP. Sable will continue current operations including performing ongoing routine equipment and pipeline evaluations on schedules specified by BSEE, the County Planning & Development Department, County Air Pollution Control District permits, DOT and Sable policy. In addition, the County Systems Safety Reliability Review Committee will conduct SIMQAP audits.

Under direction of the aforementioned management team, Sable has the extensive operations experience, skills and training necessary to operate the POPCO facilities in compliance with all applicable County, State and Federal codes.

The above sections provide those items specifically identified in Chapter 25B as necessary to make findings for the transfer of the development permit. Attachment G contains the following forms identified in the preapplication meeting as being required for this transfer: Master Application, Indemnification Agreement, Energy and Minerals Div Agreement to Pay.

Pursuant to County Code of Ordinances Section 25B-11, Sable agrees to pay any processing fees related to this application and will provide the required deposit to cover a portion of the case processing fees. We understand that an invoice for the required payment will be transmitted to Sable shortly.

Please contact Patrice Surmeier at 805 567-9503 or PSurmeier@SableOffshore.com if any additional information is required.

Sincerely,

SABLE OFFSHORE CORP.

Steve Rusch

Steven P. Rusch
VP, Regulatory & Environmental Affairs

Attachments

cc: Errin Briggs
John Zorovich

Attachment A
Investor Slide Deck

Sable Offshore Corp.

Investor Presentation

December 2023

SABLE
OFFSHORE



2 Sable – Management Team

Sable has Re-Assembled its Premier Management and Operations Team

Jim Flores

Chairman of the Board and Chief Executive Officer



- Mr. Flores is Sable's founder and has served as the Chairman and Chief Executive Officer since its inception
- From May 2017 until February 2021, Mr. Flores served as Chairman, Chief Executive Officer and President of Sable Permian Resources
- Prior to Sable Permian Resources, Mr. Flores served as Vice Chairman of Freeport-McMoRan, Inc. and CEO of Freeport-McMoRan Oil & Gas, a wholly owned subsidiary of Freeport-McMoRan Inc.
- From 2001 until 2013, Mr. Flores was the Chairman, CEO and President of Plains Exploration & Production Company and Chairman and CEO of Plains Resources Inc.
- Mr. Flores founded and oversaw the IPO of Flores & Rucks, renamed Ocean Energy, and served multiple offices including President, CEO, Vice Chair and Chairman through 2001

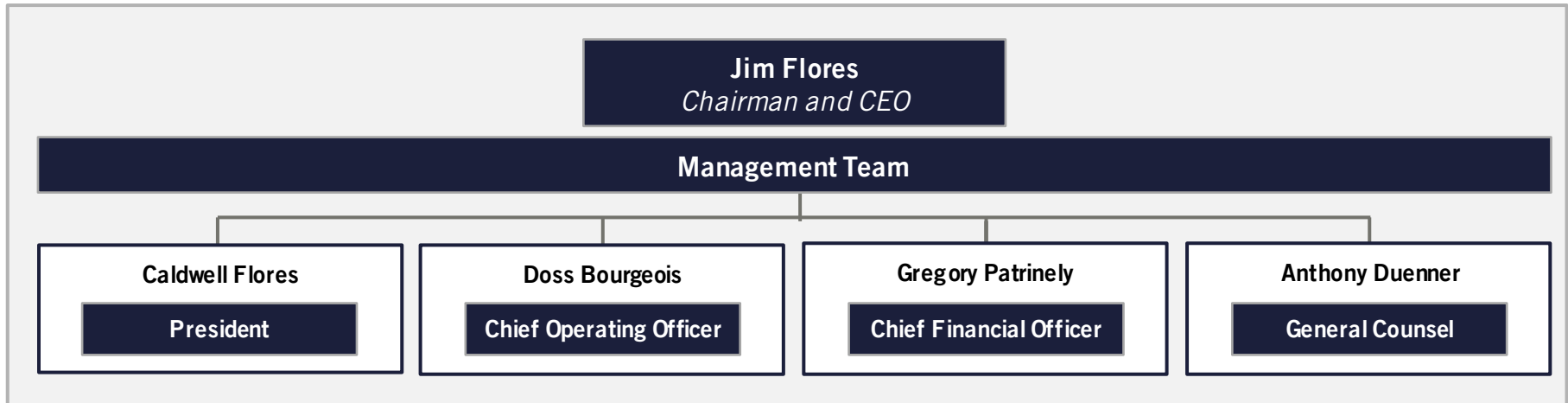
Gregory Patrinely

Executive Vice President and Chief Financial Officer



- Mr. Patrinely has served as Executive Vice President and Chief Financial Officer of Sable since its inception
- From June 2018 until February 2021, Mr. Patrinely served as Executive Vice President and Chief Financial Officer of Sable Permian Resources
- Mr. Patrinely previously served as Treasurer for Sable Permian Resources, from May 2017 to June 2018, where he oversaw the financial analysis and execution of refinancing, restructuring and acquisition efforts
- Prior to Sable Permian Resources, Mr. Patrinely was a Manager in the Acquisitions & Divestments Group of Freeport-McMoRan Oil & Gas, a wholly owned subsidiary of Freeport-McMoRan Inc.

Sable Organizational Structure



3 Sable Management Team Has a Strong ESG & Operational Track Record in California

Sable Management Team is an Award-Winning California Operator

Offshore Highlights

- In 2004, Received Santa Barbara County's First and Only "Resolution for Good Operator" Recognizing PXP's Outstanding Operating Performance
- In 2004, Ranked MMS's Best Operator in the Pacific OCS for Safety of Platform and Pipeline Operations
- In 2008, Santa Barbara County Commendation for Outstanding Maintenance Practices at LOGP



- **2011:** Occupational Excellence Achievement Award for 21 PXP locations
- **2010:** Occupational Excellence Achievement Award for PXP's California Los Angeles Basin San Vicente and Packard locations
- **2009 – 2010:** Perfect Record Award for operating 11,390 employee hours without occupational injury or illness involving days away from work
- **2009:** National Industry Leadership Award
- **2008:** Occupational Excellence Achievement Awards for Outstanding Safety Practices
- **2007:** Occupational Excellence Achievement Awards for Outstanding Safety Practices



- **2008:** Recipient of the Environmental Lease Maintenance Award
- **2007:** Recipient of the Environmental Lease Maintenance Award
- **2006:** Recipient of the Clean Lease Awards
- **2006:** Recipient of the Environmental Lease Maintenance Award
- **2005:** Recipient of the Environmental Lease Maintenance Award
- **2004:** Recipient of the Environmental Lease Maintenance Award



- **2006:** U.S. Bureau of Land Management Operator of the Year Award
- **2006:** Best Management Practices National Award in the area of Habitat Conservation

Attachment B
Enterprise Value and Post-Close Financials

Enterprise Value and Post-Close Financials

Post-close, pro forma Sable Offshore Corp. has an Enterprise Value over \$1.3bn.

Common Stock Composition at Close

Common Stock	Shares	%
Public stockholders ⁽¹⁾	5,953,859	10%
Initial stockholders ⁽²⁾	7,187,500	12%
Merger consideration shares	3,000,000	5%
PIPE Investors	44,024,910	73%
Total shares outstanding at close	60,166,269	100%

Enterprise Value Build

(US Dollars in Millions, except for Shares Outstanding)

Share Price (as of 3/1/2024)	\$12.20
(x) Shares Outstanding, mm	60.17
Equity Value	\$734
(+) Term Loan with 10% annual PIK	\$764
(-) Cash	\$151
Enterprise Value	\$1,347

Unaudited PF Combined Financials (9 months ended 9/30/2023)

(US Dollars in Thousands)	FLME	SYU	Txn. Adj.	PF SOC
Total Revenue	\$ -	\$ -	\$ -	\$ -
Operating Expenses				
O&M	-	43,167	-	43,167
DD&A	-	15,764	(6,140)	9,624
G&A	-	9,107	13,288	22,395
Operating costs	3,485	-	-	3,485
Total operating expenses	3,485	68,038	7,148	78,671
Loss from operations	(3,485)	(68,038)	(7,148)	(78,671)
Interest income	3,841	-	(3,841)	-
Change in fair value	(2,967)	-	(38)	-
Other expense	-	(533)	-	(533)
Interest expense	-	-	(63,014)	(63,014)
Total other income (expense), net	874	(533)	(66,893)	(66,552)
Loss before provision	(2,611)	(68,571)	(74,041)	(145,223)
Provision for income taxes	786	-	-	786
Net Loss	\$ (3,397)	\$ (68,571)	\$ (74,041)	\$ (146,009)

(1) This excludes 14,375,000 Public Warrants issued in the Company IPO convertible to Common Stock at a price of \$11.50 per share subject to the conditions described in the 8-K and S-1.

(2) This excludes 7,750,000 Private Placement Warrants convertible into Common Stock at a price of \$11.50 per share and 3,306,370 Private Placement Warrants convertible into Common Stock at a price of \$11.50 per share subject to the conditions described in the 8-K and S-1.

Attachment C
Acceptance of Permit Conditions

AGREEMENT TO COMPLY WITH CONDITIONS OF APPROVAL

OWNER(S) and OPERATOR OF RECORD for the Pacific Offshore Pipeline Company, hereinafter referred to as the PROPERTY.

MONITORING AND REPORTING. This agreement is made to ensure that all conditions of approval for the POPCO Gas Plant Expansion Project, Final Development Plan Permit 93-FDP-015 and 74-CP-II (RVI) are complied with and that all monitoring and reporting actions required of the OWNER(S) / OPERATOR OF RECORD shall be fulfilled.

OWNER(S) and OPERATOR OF RECORD hereby agrees to allow the County or its representatives onto the PROPERTY, at 12000 Calle Real, Goleta CA 93117 to monitor and ensure compliance with all conditions of approval and/or to gather information relevant for reporting purposes and compliance with the conditions of approval.

FEES. The OWNER(S) and OPERATOR OF RECORD understands and agrees that they shall promptly pay all fees for monitoring compliance or enforcing conditions as required by conditions of the Final Development Plan.

PENALTIES FOR NON-COMPLIANCE. OWNER(S) and OPERATOR OF RECORD acknowledges that the County of Santa Barbara retains the right to bring any action which it determines is necessary to require compliance by OWNER with all conditions of approval. The County of Santa Barbara further retains the right to seek all remedies and sanctions for non-compliance, either criminal or civil, as may be provided for by law.

By signing this document, the OWNER(S) / OPERATOR OF RECORD agrees to comply with all conditions of approval.

I (WE) accept and agree to all terms, restrictions and obligations set forth in this agreement either expressly or by reference and incorporation.

Executed on the 14 day of March, 2024.

OWNER OF RECORD

By William S. Flores
William S. Flores
Vice President
Pacific Offshore Pipeline Company

OPERATOR OF RECORD

By J. Caldwell Flores
J. Caldwell Flores
President
Sable Offshore Corp.



March 14, 2024

Ms. Lisa Plowman
Director of Planning & Development
County of Santa Barbara Planning Department
123 E Anapamu St., Suite 18
Santa Barbara, California 93101
Email: pad@countyofsb.org

Re: Application for Change of Owner, Operator and Guarantor of Oil and Gas
Facilities: Las Flores Pipeline Lines 324 and 325 A/B

Dear Ms. Plowman:

Pacific Pipeline Company ("PPC") and Sable Offshore Corp. ("Sable") (collectively the "Applicants") hereby jointly submit to Santa Barbara County ("County") Planning and Development their application, per County Code of Ordinances Section 25B, for Change of Owner, from PPC as subsidiary to ExxonMobil Pipeline Company ("EMPCo") to PPC as subsidiary to Sable, Change in Guarantor from Exxon Mobil Corporation ("EM") to Sable, and Change in Operator from EMPCo to Sable for the Las Flores Pipeline System ("Pipeline"). Sable acquired full ownership of all outstanding shares of PPC from Mobil Pacific Pipeline Company on February 14, 2024. We do not believe this transaction constitutes a change in ownership as defined in the ordinance; however, we are submitting the ownership transfer application out of an abundance of caution.

We understand that this application will be considered jointly with Sable's separately filed applications for Change of Owner, Operator and Guarantor of Oil and Gas Facilities for the Santa Ynez Unit and for Pacific Offshore Pipeline Company also acquired by Sable on February 14, 2024. We also understand that a single joint application deposit of \$12,500 will be assessed and billed to Sable following the establishment of a case number.

The Pipeline is covered by County Final Development Permits 88-DPF-033 (RV01)z, 88-CP-60 (RV01) and 88-DPF-25cz; 85-DP-66cz; 83-DP-25cz, as modified through September 2023 and are registered with the Office of State Fire Marshal as the Pipeline under trunk line identifiers CA-324, CA-325A, and CA-325B (the "FDPs").

Sable provides the following information relevant to the Planning Director's and/or the Planning Commission's consideration of the described changes:

Information Required by Section

Chapter 25B Chapter 25B-6(f)(2)(b) – Applicants information

Owner

Name: Pacific Pipeline Company

Address: 845 Texas Ave., Suite 2920, Houston, TX 77002

Name of Authorized Representative: B. Lance Yearwood, Vice President

Address of Authorized Representative: 845 Texas Ave., Suite 2920, Houston, TX 77002

Description of Corporate Organization: PPC is incorporated in Delaware and has been in operation since August 1, 2022. PPC is the 100% owner of the Pipeline and is a wholly owned subsidiary of Sable Offshore Corp.

Any Expiry Date: None

New Operator and Guarantor

Name: Sable Offshore Corp.

Address: 845 Texas Ave., Suite 2920, Houston, TX 77002

Name of Authorized Representative: J. Caldwell Flores

Address of Authorized Representative: 845 Texas Ave., Suite 2920, Houston, TX 77002

Description of Corporate Organization: Sable is a Delaware corporation that is traded on the New York Stock Exchange under the ticker symbol "SOC".

Any Expiry Date: None

Chapter 25B-6(f)(2)(b) – Detailed statement of changes

PPC remains the legal owner of the Pipeline. Ownership and control of PPC has changed from EMPCo to Sable.

Sable has replaced Exxon Mobil Corporation as the Guarantor of all PPC obligations.

Sable has replaced EMPCo as the operator of PPC.

Chapter 25B-6(f)(2)(c) – General Background Information on Owner, Guarantor and Operator

Sable Offshore Corp.

Sable is a Delaware corporation that is traded on the New York Stock Exchange under the ticker symbol "SOC". Please see Attachment A for information regarding Sable.

Pacific Pipeline Company

PPC is a wholly owned subsidiary of Sable and the owner of the Pipeline

Chapter 25B-6(f)(2)(d) – Financial Information on Owner, Guarantor and Operator

Sable's Securities and Exchange Commission filings, including annual financial statements (Form 10-K) and quarterly financial statements (Form 10-Q) are available at the following website address:

<https://sableoffshore.com/financials/sec-filings/default.aspx>

See also Enterprise Value and Post-Close Financials included as Attachment B which demonstrates Sable's Enterprise Value of over \$1.35 billion.

PPC, as a wholly owned subsidiary of Sable, is included in the consolidated financial statements of Sable. PPC does not issue stand-alone financial statements.

Chapter 25B-6(f)(2)(e) – Letter accepting permit

A letter from a responsible official representing the owner and operator formally accepting all conditions and requirements of the permit is provided as Attachment C.

Chapter 25B-6(f)(4) – Documentation to meet findings for Change in Owner

All documentation needed to make the findings required by this chapter, where applicable, for facility safety audit and compliance with existing requirements.

Fees and Exactions: PPC believes that all required fees and exactions due for the Pipeline have been paid.

Financial Guarantees: PPC is not aware of any financial guarantees required by the County Code nor by the subject FDP.

Acceptance of permit: A letter from a responsible official representing the new owner formally accepting all, conditions and requirements of the permit is provided as Attachment C.

Facility Safety Audit: PPC understands the permit conditions require that PPC submit a detailed Safety Inspection Maintenance and Quality Assurance Program ("SIMQAP") Plan to P&D; however, permit conditions disavow approval authority over the SIMQAP and preclude County-conducted safety audits. The 1988 settlement agreement between the County and Celeron Pipeline Company/Getty Trading and Transportation Company determined that the County did not have the jurisdiction to regulate any aspect of the design, construction, or operation of the pipeline which was already covered by the Pipeline and Hazardous Materials Safety Administration ("PHMSA") under 49

C.F.R. Part 195 (Transportation of Hazardous Liquids by Pipeline). The settlement agreement determined that this authority rests exclusively with PHMSA and now, the California Office of the State Fire Marshal (“OSFM”). Consequently, here is no County-conducted audit available. The previous owner, Plains, provided copies of the most recent safety audits conducted by PHMSA and OSFM from at least 2018 through 2021. Below is a summary and status of the audits performed with the previous owner. PHMSA audited the Las Flores Pipeline System under PPC ownership from April 17 through 20, 2023.

Agency	Date	Audit #	Audit Type	Status
OSFM	7/12/21	2021-64	Annual Records / Field Inspection	Closed
PHMSA	6/16/21	2021-58	Documentation Inspection	Closed
OSFM	1/19/21	2021-3	Field Inspection	Closed
OSFM	6/22/20	2020-72	Annual Records / Field Inspection	Closed
OSFM	10/20/19	2019-118	Annual Records / Field Inspection	Closed
OSFM	10/15/18	2018-98	Standards Inspection	Closed

PPC entered into an Agreement with the Planning & Development Director to provide a SIMQAP under a specific, enforceable schedule. The Agreement was entered into on February 1, 2023. This SIMQAP is currently being updated with new operator information.

Compliance with existing requirements: PPC believes that it is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation and any county ordinance.

Chapter 25B-9(e)(1) – Documentation to meet findings for Change in Guarantor

Financial guarantees: Sable is not aware of any financial guarantees required by the SBC Code nor by the subject FDP.

Chapter 25B-6(f)(5) – Additional information for Change of Operator

All documentation needed to make the findings required by this chapter for facility safety audit, compliance with existing requirements, and compliance plans.

Fees and Exactions: Sable believes that all required fees and exactions due for the Las Flores Pipeline System have been paid.

Financial Guarantees: Sable is not aware of any financial guarantees required by the County Code nor by the subject FDP.

Acceptance of permit: A letter from a responsible official representing the new

operator formally accepting all conditions and requirements of the permit is provided as Attachment C.

Facility Safety Audit: See Facility Safety Audit Response in previous section.
Compliance with existing requirements: Sable believes that it is in compliance with all requirements of the permit, including any requirements of a county-required safety audit, any notice of violation and any county ordinance.

Compliance Plans: Sable is updating the PPC Integrated Contingency Plan and the PPC SIMQAP with current emergency contact information. Sable agrees to revise all other plans required by the permit or any county ordinance, as necessary to reflect the change of operator, and to do so with sufficient diligence to obtain approval of the revised plans by the appropriate county official within six months after assuming operations. The remaining compliance plans that require updates with change of operator information are the Noise Monitoring and Control Plan and the Site Security Plan. These updated plans will be submitted to the county shortly.

Transitional Plan: Attachment D contains the Sable Las Flores Pipeline System Transition Plan.

Emergency Response Plan Drills: The Las Flores Pipeline Integrated Contingency Plan was last exercised on February 9th, 2023 and the exercise credit was approved by California Department of Fish and Wildlife, Office of Spill Prevention and Response on July 1, 2023. The Incident Management Team which transferred to employment with Sable has extensive experience exercising response plans for both PPC as well as the Santa Ynez Unit assets. As required by this finding, the employees have adequately performed one or more county approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facility.

Operator Capability: Sable will be managed by James C. Flores and a management team that have historically worked with Mr. Flores in the oil and gas exploration and production business, many for more than thirty years. (See Attachment A Slide 2 from Investor Slides Deck). This group has a strong record of operating safely and successfully in many jurisdictions including California and the Pacific Region of the U. S. Outer Continental Shelf. Members of this management team and the companies they have managed have won numerous awards for operational excellence from the National Safety Council, the California Department of Conservation Division of Geologic Energy Management and the U.S. Bureau of Land Management. Specific to the County, Plains Exploration & Production Company, under direct management of this team, was awarded the County's first and only "Resolution for Good Operator" recognizing outstanding operator performance and a County Commendation for outstanding maintenance practices.

The management team has extensive experience operating in the Pacific Ocean, Onshore California, and in the Gulf of Mexico for many years. Operations previously supervised by this group include Platform Irene, the Lompoc Oil & Gas Plant and associated pipelines, Platforms Harvest, Hidalgo, Hermosa and the Gaviota Oil & Gas Plant and associated pipelines, as well as operations in the Bakersfield and Los Angeles basins. (See Attachment A Slide 4 from Investor Slide Deck).

The operating team in California includes essentially the entire workforce of the prior owner/operator of 48 individuals who signed on with Sable and who have been operating and maintaining the facilities under EM. The average employee of the transitioned operating team has over 18 years of oil and gas experience, while Sable as a whole averages over 22 years of experience. The same well-trained, experienced, and knowledgeable team will continue to fill this role. This team has an excellent safety record, is very familiar with the facilities, understands the operating requirements for these facilities, and is trained and ready to respond to an incident if needed. They have an excellent record of compliance with the many plans and permit conditions.

Sable has contracted with several industry-leading service companies familiar with the Las Flores Pipeline System and experienced in the operations of similar pipelines. In addition, Sable has been and will continue to work closely with EMPCo to ensure the installation of best practices and a safe transition in the operations of the Las Flores Pipeline System.

Upon taking over operations, PPC's Lines 324 and 325 A/B will be maintained according to the PPC SIMQAP. PPC will continue current pipeline operations including performing ongoing routine internal and external pipeline surveys. Pipeline surveys include, but are not limited to, smart pigging, corrosion checks, pressure tests, air and ground patrols, visual surveys using a video camera, and cathodic protection surveys. These periodic internal and external pipeline inspections are performed on a schedule specified by the County Planning & Development Department, the County Air Pollution Control District permits, and PPC policy. These inspections also satisfy the requirements of the Pipeline & Hazardous Materials Safety Administration ("PHMSA") and OSFM for the pipelines.

Under direction of the aforementioned management team, Sable has the extensive pipeline operations experience, skills and training necessary to

operate the Las Flores Pipeline System in compliance with all applicable County, State and Federal codes. In addition to its SIMQAP, Sable will adhere strictly to its Integrated Contingency and Tactical Response Plans and will meet and exceed all requirements of API Recommended Practice 1173 Pipeline Safety Management Systems (API RP 1173 PSMS).

The above sections provide those items specifically identified in Chapter 25B as necessary to make findings for the transfer of the development permit. Attachment E contains the following forms identified in the preapplication meeting as being required for this transfer: Master Application, Indemnification Agreement, Energy and Minerals Div Agreement to Pay.

Pursuant to County Code of Ordinances Section 25B-11, Sable agrees to pay any processing fees related to this application and will provide the required deposit to cover a portion of the case processing fees. We understand that an invoice for the required payment will be transmitted to Sable shortly.

Please contact Patrice Surmeier at 805 567-9503 or PSurmeier@SableOffshore.com if any additional information is required.

Sincerely,

Steve Rusch

SABLE OFFSHORE CORP.

Steven P. Rusch
VP, Regulatory &
Environmental Affairs

Attachments

cc: Errin Briggs
John Zorovich

Attachment A
Investor Slide Deck

Sable Offshore Corp.

Investor Presentation

December 2023

SABLE
OFFSHORE



2 Sable – Management Team

Sable has Re-Assembled its Premier Management and Operations Team

Jim Flores

Chairman of the Board and Chief Executive Officer



- Mr. Flores is Sable's founder and has served as the Chairman and Chief Executive Officer since its inception
- From May 2017 until February 2021, Mr. Flores served as Chairman, Chief Executive Officer and President of Sable Permian Resources
- Prior to Sable Permian Resources, Mr. Flores served as Vice Chairman of Freeport-McMoRan, Inc. and CEO of Freeport-McMoRan Oil & Gas, a wholly owned subsidiary of Freeport-McMoRan Inc.
- From 2001 until 2013, Mr. Flores was the Chairman, CEO and President of Plains Exploration & Production Company and Chairman and CEO of Plains Resources Inc.
- Mr. Flores founded and oversaw the IPO of Flores & Rucks, renamed Ocean Energy, and served multiple offices including President, CEO, Vice Chair and Chairman through 2001

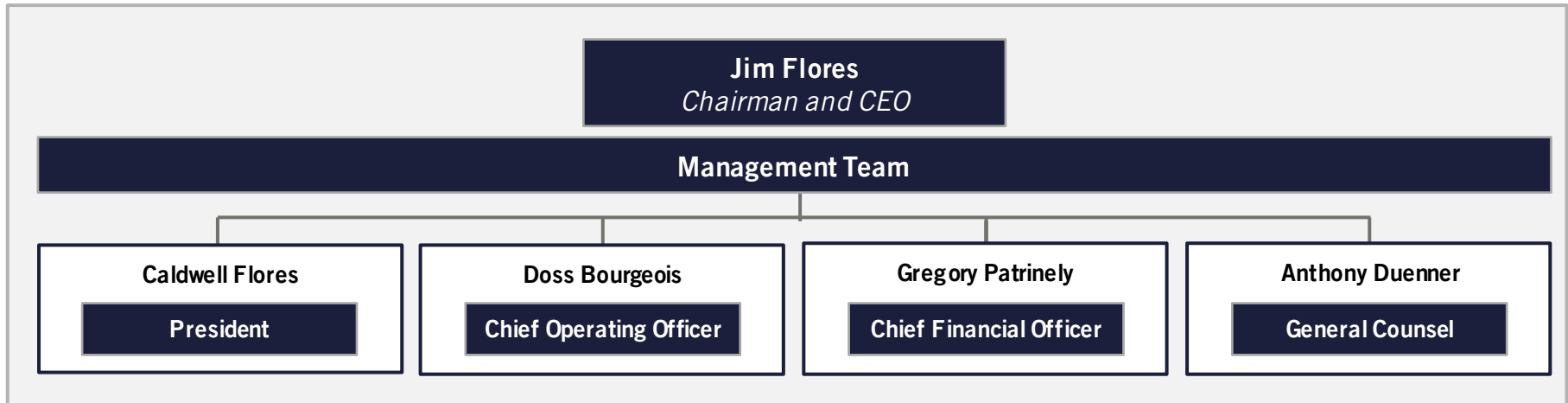
Gregory Patrinely

Executive Vice President and Chief Financial Officer



- Mr. Patrinely has served as Executive Vice President and Chief Financial Officer of Sable since its inception
- From June 2018 until February 2021, Mr. Patrinely served as Executive Vice President and Chief Financial Officer of Sable Permian Resources
- Mr. Patrinely previously served as Treasurer for Sable Permian Resources, from May 2017 to June 2018, where he oversaw the financial analysis and execution of refinancing, restructuring and acquisition efforts
- Prior to Sable Permian Resources, Mr. Patrinely was a Manager in the Acquisitions & Divestments Group of Freeport-McMoRan Oil & Gas, a wholly owned subsidiary of Freeport-McMoRan Inc.

Sable Organizational Structure



3 Sable Management Team Has a Strong ESG & Operational Track Record in California

Sable Management Team is an Award-Winning California Operator

Offshore Highlights

- In 2004, Received Santa Barbara County's First and Only "Resolution for Good Operator" Recognizing PXP's Outstanding Operating Performance
- In 2004, Ranked MMS's Best Operator in the Pacific OCS for Safety of Platform and Pipeline Operations
- In 2008, Santa Barbara County Commendation for Outstanding Maintenance Practices at LOGP



- **2011:** Occupational Excellence Achievement Award for 21 PXP locations
- **2010:** Occupational Excellence Achievement Award for PXP's California Los Angeles Basin San Vicente and Packard locations
- **2009 – 2010:** Perfect Record Award for operating 11,390 employee hours without occupational injury or illness involving days away from work
- **2009:** National Industry Leadership Award
- **2008:** Occupational Excellence Achievement Awards for Outstanding Safety Practices
- **2007:** Occupational Excellence Achievement Awards for Outstanding Safety Practices



- **2008:** Recipient of the Environmental Lease Maintenance Award
- **2007:** Recipient of the Environmental Lease Maintenance Award
- **2006:** Recipient of the Clean Lease Awards
- **2006:** Recipient of the Environmental Lease Maintenance Award
- **2005:** Recipient of the Environmental Lease Maintenance Award
- **2004:** Recipient of the Environmental Lease Maintenance Award



- **2006:** U.S. Bureau of Land Management Operator of the Year Award
- **2006:** Best Management Practices National Award in the area of Habitat Conservation

Attachment B
Enterprise Value and Post-Close Financials

Enterprise Value and Post-Close Financials

Post-close, pro forma Sable Offshore Corp. has an Enterprise Value over \$1.3bn.

Common Stock Composition at Close

Common Stock	Shares	%
Public stockholders ⁽¹⁾	5,953,859	10%
Initial stockholders ⁽²⁾	7,187,500	12%
Merger consideration shares	3,000,000	5%
PIPE Investors	44,024,910	73%
Total shares outstanding at close	60,166,269	100%

Enterprise Value Build

(US Dollars in Millions, except for Shares Outstanding)

Share Price (as of 3/1/2024)	\$12.20
(x) Shares Outstanding, mm	60.17
Equity Value	\$734
(+) Term Loan with 10% annual PIK	\$764
(-) Cash	\$151
Enterprise Value	\$1,347

Unaudited PF Combined Financials (9 months ended 9/30/2023)

(US Dollars in Thousands)	FLME	SYU	Txn. Adj.	PF SOC
Total Revenue	\$ -	\$ -	\$ -	\$ -
Operating Expenses				
O&M	-	43,167	-	43,167
DD&A	-	15,764	(6,140)	9,624
G&A	-	9,107	13,288	22,395
Operating costs	3,485	-	-	3,485
Total operating expenses	3,485	68,038	7,148	78,671
Loss from operations	(3,485)	(68,038)	(7,148)	(78,671)
Interest income	3,841	-	(3,841)	-
Change in fair value	(2,967)	-	(38)	-
Other expense	-	(533)	-	(533)
Interest expense	-	-	(63,014)	(63,014)
Total other income (expense), net	874	(533)	(66,893)	(66,552)
Loss before provision	(2,611)	(68,571)	(74,041)	(145,223)
Provision for income taxes	786	-	-	786
Net Loss	\$ (3,397)	\$ (68,571)	\$ (74,041)	\$ (146,009)

(1) This excludes 14,375,000 Public Warrants issued in the Company IPO convertible to Common Stock at a price of \$11.50 per share subject to the conditions described in the 8-K and S-1.

(2) This excludes 7,750,000 Private Placement Warrants convertible into Common Stock at a price of \$11.50 per share and 3,306,370 Private Placement Warrants convertible into Common Stock at a price of \$11.50 per share subject to the conditions described in the 8-K and S-1.

Attachment C
Acceptance of Permit Conditions

AGREEMENT TO COMPLY WITH CONDITIONS OF APPROVAL

OWNER(S) and OPERATOR OF RECORD for the Las Flores Pipeline System, hereinafter referred to as the PROPERTY.

MONITORING AND REPORTING. This agreement is made to ensure that all conditions of approval for the All American Pipeline Project, Final Development Plan 88-DPF-033 (RV01)z, 88-CP-60](RV01) [88-DPF-25cz; 85-DP-66CZ; 83-PD-25cz} are complied with and that all monitoring and reporting actions required of the OWNER(S) / OPERATOR OF RECORD shall be fulfilled.

OWNER(S) and OPERATOR OF RECORD hereby agrees to allow the County or its representatives onto the PROPERTY, beginning at APN 081-220-014 to monitor and ensure compliance with all conditions of approval and/or to gather information relevant for reporting purposes and compliance with the conditions of approval.

FEES. The OWNER(S) and OPERATOR OF RECORD understands and agrees that they shall promptly pay all fees for monitoring compliance or enforcing conditions as required by conditions of the Final Development Plan.

PENALTIES FOR NON-COMPLIANCE. OWNER(S) and OPERATOR OF RECORD acknowledges that the County of Santa Barbara retains the right to bring any action which it determines is necessary to require compliance by OWNER with all conditions of approval. The County of Santa Barbara further retains the right to seek all remedies and sanctions for non-compliance, either criminal or civil, as may be provided for by law.

By signing this document, the OWNER(S) / OPERATOR OF RECORD agrees to comply with all conditions of approval.

I (WE) accept and agree to all terms, restrictions and obligations set forth in this agreement either expressly or by reference and incorporation.

Executed on the 14 day of MARCH, 2024.

OWNER OF RECORD

By B. Lance Yearwood

B. Lance Yearwood
Vice President
Pacific Pipeline Company

OPERATOR OF RECORD

By J. Caldwell Flores

J. Caldwell Flores
President
Sable Offshore Corp.



May 22, 2024

Jacquelynn Ybarra
Senior Planner
County of Santa Barbara – Energy, Minerals & Compliance Division
123 E. Anapumu St.
Santa Barbara, CA 93101

Re: Response to Determination of Application Incompleteness Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO Gas Plant, and the Las Flores Pipelines Permit Transfers

Dear Ms. Ybarra,

We are in receipt of County of Santa Barbara – Energy, Minerals & Compliance Division's (the County) April 23, 2024 response to Sable Offshore Corp.'s (Sable) application for Changes in Owner, Operator, and Guarantor of the Santa Ynez Unit (SYU), Pacific Offshore Pipeline Company (POPCO) Gas Plant, and Las Flores Pipelines. Sable is requesting the following in accordance with Chapter 25B of the County's Code of Ordinances:

- a) Change of Owner, Operator, and Guarantor Change of the SYU Final Development Plan Permit No. 87-DP-032cz (RV06) from ExxonMobil Corporation to Sable;
- b) Change of Operator and Guarantor of the POPCO Gas Plant's Final Development Plan Permit No. 93-FDP-015 and 74-CP-11(RV1) from ExxonMobil Corporation to Sable; and
- c) Change of Operator and Guarantor of the Las Flores Pipeline System's Final Development Plan Permit No. 88-DPF-033 (RV01)cz, 88-CP-60 (RV01), and 88-DPF-35cz (85-DP-66cz; 83-DP-25cz) from ExxonMobil Pipeline Company and ExxonMobil Corporation to Sable.

In the following paragraphs please find responses to the County's April 23rd request for additional material related to the application:

1. **Key Contacts.** Please provide a current list of key contact persons for routine compliance business with the County, and for 24/7 emergencies related to the facilities. Include name, contact information, and title/function.

Routine Compliance: Patrice Surmeier
(805) 567-9503
Sr. Regulatory and Compliance Supervisor

24/7 Emergency: SYU Control Room
(805) 567-9543

2. **Fees and Exactions.** County invoices are due for the facilities' various permitting and compliance projects, totaling \$109,578.13. Please provide payment of all outstanding invoices within 30 days for the following projects: Las Flores Pipeline Compliance (CEJC), 901/903 Pipeline Change of Owner/Operator (RPCO), 901/903 Pipeline Change of Owner/Operator Appeal (RLFA), Las Flores Pipeline Anomaly Project (RPPD), Las Flores Replacement Pipeline Project (RPRP), Las Flores Valve Upgrade Project (RPVU), and the Las Flores Pipeline Valve Upgrade Appeal (RPVA).

Sable understands that the former owner has provided all required payments.

3. **Financial Guarantees.**

- a) The U.S. Securities and Exchange Commission's (SEC) Annual Report states that the Sable-ExxonMobil Purchase Agreement of the SYU Assets requires ExxonMobil to indemnify Sable against certain liabilities associated with the Las Flores Pipeline incident prior to January 1, 2022 and for a period of two years following the closing of the Purchase Agreement (February 2024 - February 2026). The SEC Annual Report also states that the anticipated restart schedule of the facilities is the third quarter of 2024. Please clarify which party would be financially responsible for any facility incidents that may occur from the beginning of restart activities to February 2026.

Sable is financially responsible for any facility incidents that may occur from the beginning of restart activities to February 2026.

- b) Please provide a written description of the financial assurances (applicability, type and extent of overage, and renewal dates) for assurances associated with facility decommissioning, site remediation, or restoration, and oil spill or natural resource damages required by other local, state, or federal agencies, such as the California Department of Fish and Wildlife's Office of Oil Spill Prevention and Response (OSPR). Please provide a clear

and detailed explanation if there are separate financial assurance instruments that cover the different facilities or parts of the facility, or if there are multiple instruments. Describe if the financial assurances provided by Sable are substantially identical to those provided by the existing Guarantors for the facilities. If not, please explain any differences.

See below following (c).

- c) Please describe and provide copies of Sable's current insurance policies for the facilities relating to oil spills or natural resource damages. For self-insurance, please provide a current statement of income, and describe if Sable's assets located in the United States exceed its total liabilities.*

Sable understands there are no insurance, bonds or other instruments or methods of financial responsibility required by the County necessary to comply with the permit and any applicable county ordinances. Previously required bonds and endowments under the FDP have been satisfied and none remain outstanding. The FDP does not require the Owner/Operator to carry insurance or other financial responsibility (e.g. surety bond) to cover oil spills or other damages.

The pipelines are subject to the California Department of Fish and Wildlife's Office of Spill Prevention and Response (OSPR) financial responsibility requirements set forth in Government Code Section 8670.37.53. OSPR is the state's lead for response to oil spills and Hazmat incidents in its inland and marine waters. OSPR issues Certificates of Financial Responsibility to facilities, vessels, and pipelines after they have provided an application and proof that they have the financial resources to cover the costs of response for their "worst-case scenario" spill.

California Fish and Wildlife has confirmed receipt of our COFR applications (CDFW 1924 and 1932 COFR Submittals) on April 14, 2024. Sable has not yet received a confirmation Notice of Financial Responsibility from them and is waiting for our certificates to be issued.

For your information regarding insurance coverages, Sable has Offshore Property Damage Limits of \$1.23 billion (\$300 million Pipeline/Flowlines/Cables) and Onshore Property Damage Limits of \$1,32 billion (\$500 million single loss) with retention of \$50 million for any one occurrence.

- 4. Facility Safety Audit.** *Please provide a summary of the audit number, type, findings, and status of the April 2023 PHMSA audit conducted for the Las Flores Pipeline system.*

The Post-Inspection Written Preliminary Findings for the Pipeline and Hazardous Materials Safety Administration (PHMSA) audit conducted by the California Office of State Fire Marshal (OSFM) covering the April 2023 inspection are found in Attachment A. Also included in the attachment are the three other reports from PHMSA inspections which have occurred since PPC became the system owner. All reports indicate no preliminary findings or concerns.

5. **Compliance Plans.** Please provide the following required Compliance Plans with the current emergency contact information pertaining to the new operator:

a) *Revised SIMQAP for the Las Flores Pipeline system;*

PPC entered into an Agreement with the Planning & Development Director to provide a Safety Inspection Maintenance and Quality Assurance Program (SIMQAP) Plan under a specific, enforceable schedule. The Agreement was entered into on February 1, 2023. Attachment B contains an update to that plan with the new operator information.

b) *Revised Integrated Contingency Plan for the Las Flores Pipeline system.*

On April 9 and May 7, 2024, Sable on behalf of PPC submitted its revised Integrated Contingency Plan ("ICP") for approval to California Department Fish and Wildlife, Office of Spill Prevention and Response (OSPR) and PHMSA/OSFM, respectively. A copy of the confidential plan is supplied as Attachment C.

In addition to the plans identified above, please provide a comprehensive list of all other operational compliance plans that need to be updated and approved within the required six months after assuming operations (e.g. Site Security Plans, Groundwater Management Plan, Preservation Plan, Harbor Use Plan, Noise Monitoring Plans etc.). Include the plan name, related facility, and permit condition number. As review and approval times can vary, P&D recommends submitting any revised plans as soon as possible to demonstrate sufficient diligence in obtaining approval of these plans within the required timeframe. P&D should be provided copies of any compliance plans submitted to other County Departments (e.g. OEM).

Below please find a list of plans that Sable has identified that are required by the permits being transferred or any county ordinance and that may be necessary to revise to reflect the change in operator. Sable will work with the County to refine this list as need to meet the findings necessary under Section 25B-10(a)(6).

PLAN NAME	FACILITY	PERMIT CONDITION
LPG/NGL Transportation Risk Management and Prevention Program	SYU/POPCO	VI-2/P-7
Santa Barbara Harbor Use Plan	SYU	X-19
Site Security Plan	SYU/PPC	XI-2.h/P-6
Noise Monitoring and Control Plan	SYU/POPCO/PPC	XV-1/L/N-1
Groundwater Management Plan	SYU/POPCO	XVI-1/I-1
Surface Water Monitoring Plan	SYU/POPCO	XVII-1/J-1
Preservation Plan	SYU/POPCO	
NGL Inventory Management Plan	POPCO	P-6
Fire Protection Plan for Pump Stations	PPC	P-9

6. Transition Plan. Please revise the Transition Plans to include the following:

Please see Attachments D and E containing a revised transition plan for PPC and SYU/POPCO respectively.

7. Emergency Response Plan Drills. Chapter 25B-10(a)(8) requires that the proposed operator (Sable) has adequately performed one or more County-approved emergency response plan drills necessary to respond to emergency episodes that may occur at the facilities. The County understands that emergency response plan drills occurred at the facilities in February 2023 and September 2023 under operatorship of ExxonMobil Corporation and ExxonMobil Pipeline Company. Though the majority of facility employees have transferred to Sable, emergency response plan drills have not yet been conducted under Sable management/operatorship. Please provide confirmation that an emergency response plan drill for the facilities is scheduled for 2024. Include invitations for County Fire (Office of Emergency Management) and Planning and Development compliance staff. A County-approved drill will need to occur prior to Planning Commission action on the permit transfer.

Exercise of the PPC ICP and SYU Oil Spill Response Plan are scheduled for July 25 and September 19, 2024 respectively on OSPR's 2024 Drill Calendar.

24 members of the Incident Management Team (IMT) which participated in the 2023 PPC drill continue to serve on Sable's PPC IMT. 26 members of the ExxonMobil SYU IMT will serve on Sable's SYU IMT. Over a third of the Sable IMT members have participated in SYU drills for more than a decade with a total participation by the retained staff of 163 drills.

8. Operator Capability.

- a) *Please provide information on the Sable Permian, Freeport-McMoRan Oil and Gas (FMO&G), and Plains Exploration & Production Company (PXP) facilities that the Sable team previously owned and operated. Describe the facility operations and their similarities to the SYU, POPCO Gas Plant, and Las Flores Pipeline System, and years of operation under key Sable personnel.*

The core of the Sable leadership team has worked closely together for over 30 years. This team has been led by James C. Flores serving as Chief Executive Officer and Doss Bourgeois serving as Chief Operating Officer for Sable Permian Resources, Freeport McMoRan Oil & Gas (FMOG), and Plains Exploration & Production (PXP). Additional leadership continuity exists with key Sable personnel including Craig Landry - VP of Operations and Steve Rusch – VP of Environmental and Regulatory Affairs who both have worked with the management team dating back to PXP.

Sable Permian Resources operated from 2017-2021 in the Permian Basin of West Texas primarily concentrated in Reagan and Irion counties. The land-based production facilities that were built from the ground up by Sable Permian Resources, shared many oil/water/gas/H₂S separation techniques and equipment with LFC and POPCO. Due to the nature of the development, individual equipment capacities were smaller, but multiple wells were tied back to facilities that were built, operated, and maintained across the production operation.

FMOG merged with PXP in 2013. The combined companies had major sour and sweet oil and natural gas operations in: Offshore and Onshore California along with Deepwater Gulf of Mexico, and Eagleford Shale. These assets covered a wide range of production operations from shallow rod-pumped wells to ultra-deep subsea tiebacks to world-class floating production facilities in 5500 ft. water & wells drilled to 34,000 feet deep.

FMOG Offshore California operations included the three Point Arguello Unit production platforms located immediately northwest of SYU. Those platforms, Harvest, Hermosa & Hidalgo separated sour oil/water and gas into their respective components directly on the platforms. The produced sour gas stream was sweetened via amine units located offshore. The sweetened oil

and gas was then shipped into the Gaviota plant which performed additional crude and gas processing.

The other FMOG offshore/onshore California asset that shared the most similarity to SYU was Platform Irene and the associated Lompoc Oil & Gas Plant. The processing of oil/gas/water from Irene through the Lompoc Oil & Gas Plant was performed in virtually the same manner as SYU. As at SYU, two phase separation occurred offshore with an oil/water sour emulsion and sour gas shipped to shore via separate pipelines. Once onshore, the Lompoc Oil & Gas Plant separated the emulsion, stabilized the crude and returned produced water back offshore for disposal. The sour gas was sweetened and the H₂S transformed into sulfur via a Sulfur Recovery Unit.

- b) *Please describe the current capital Sable possesses, and the estimated capital required to complete the repairs necessary to restart production, obtain approvals from local, state, and federal regulators, and maintain operations including costs of complying with County ordinances, permit requirements, and requirements following a facility safety audit.*

Sable has filed Form 8-K with the Securities and Exchange Commission which provides a description of Sable's current liquidity which is currently adequate to restart production in compliance with all required codes and regulations. Current Form 8-K filing may be found at this link. [Sable Offshore Corp. - Financials - SEC Filings - SEC Filings Details](#)

- c) *Please provide relevant records of compliance and corrective actions taken subsequent to any major incidents (defined in Chapter 25B-3) for Sable management-affiliated companies from the past 5 years the management team operated the companies, including Sable Permian Resources from 2017 – 2021, FM O&G from 2013 – 2017, and PXP from 2009 – 2013. Regulatory compliance includes but is not limited to a notice of violation, abatement order, license suspension or revocation, injunction, shut-down order, or other similar notice, order, or citation from a local, state, or federal agency with regulatory oversight over the facility, or any court of law. Information should be comprised of brief incident reports and corresponding summaries of any subsequent corrective actions with supporting documentation. Describe if any further occurrences of non-compliance occurred at any facility listed above since the corrective actions were implemented.*

The regulatory compliance record of all three companies was exemplary in every jurisdiction in which they operated. For all operations covered by each company from 2009 to 2021 no "Major Incidents" occurred as defined under Chapter 25B-3. Further regulatory compliance information is detailed below.

Sable Permian Resources operated under Texas Railroad Commission and during the years active 2017-2021 no major violations were received, nor enforcement actions taken with over 300 wells drilled, completed and put on production.

FMOG and PXP were industry leading operators in safety and environmental compliance and between 2009-2017. No BSEE civil penalties were assessed or spills greater than 50bbls into the environment occurred. Additionally, PXP received the only "Resolution for Good Operator" ever awarded by Santa Barbara County recognizing outstanding operating performance.

Project Description

Sable requests the following corrections to the project description:

Sable Offshore Corp. (Sable) entered into a Purchase and Sale Agreement with ExxonMobil Corporation (Exxon) and Mobil Pacific Pipeline Company (MPPC) to acquire the Santa Ynez Unit assets as well as all of the outstanding shares of Pacific Offshore Pipeline Company (POPCO) and Pacific Pipeline Company (PPC) in November of 2022. Sable closed on the Purchase and Sale Agreement on February 14, 2024. The Santa Ynez Unit assets consists of three offshore-platforms located in federal waters offshore California (Hondo, Heritage, and Harmony), and an onshore processing facility, and a gas plant located along the Gaviota Coast at Las Flores Canyon (collectively, SYU) in Santa Barbara County. The (County). In addition, a natural gas processing plant owned by POPCO, Sable's wholly owned subsidiary, is also located at the onshore processing facility at Las Flores Canyon (POPCO Gas Plant). SYU is permitted under the County's Final Development Plan Permit No. 87-DP-32cz (as modified on July 25, 2001 by 87-DP-032cz (RV05) Synergy Project and on February 19, 2003 with 87-DP-032cz (RV06) Offshore Power Cable Repair & Enhancement Project). The POPCO Gas Plant is permitted under the County's Final Development Plan Permit No. 93-FDP-015 and 74-CP-~~11II~~ (RV1). As part of the Purchase and Sale Agreement, Sable also acquired PPC, owner of the Las Flores Pipeline System (formerly AAPL Lines 901 and 903) that transport produced), a common carrier crude oil from the SYU to a delivery point pipeline located in Pentland, California Santa Barbara, San Luis Obispo and local refinery markets Kern Counties. The pipeline system is permitted under the County's Final Development Permit No. 88-DPF-033 (RV01)z and 88-CP-60 (RV01)), (88-DPF~~25cz~~DPF-25cz; 85-DP-66cz; 83-DP-25cz), as modified through September 19, 2023. The pipelines are registered with the OSFM as the Las Flores Pipeline System under trunk line identifiers CA-324 (formerly 901), CA-325A (formerly 903 Gaviota to Sisquoc), and

CA-325B (formerly 903 Sisquoc to Pentland). The Las Flores Pipeline System was formerly owned and operated by Plains ~~All American Pipeline Company L.P. (Plains).~~ Plains sold the pipeline system to ~~Pacific Pipeline Company PPC~~ on October 13, 2022. The County approved the Change of Owner, Operator, and Guarantor for the Las Flores Pipeline System to ~~Pacific Pipeline Company PPC~~ and ExxonMobil Pipeline Company LLC in September of 2023.

~~The SYU and Las Flores Pipelines~~ the POPCO Gas Plant remained in continuous operation until May 2015 when the former ~~AAPL Pipeline Plains line 901~~ experienced a leak. Following the pipeline incident, the ~~Las Flores Pipelines SYU and the SYU POPCO facilities~~ suspended production. As part of these suspension efforts, all ~~SYU~~ equipment was drained, flushed ~~and~~, purged ~~in 2016, and the Las Flores Pipelines were emptied~~ and placed in a safe state. ~~The SYU is in 2016 and remain under regular monitoring. The SYU facilities are~~ not currently producing oil and gas; however, all equipment remains in place in an operation-ready state, requiring ongoing inspections, maintenance, and surveillance. The offshore platforms have permanent drilling systems in place. ~~The pipelines are~~ The Las Flores Pipeline System was emptied and placed in a safe state following the pipeline incident, and is preserved under a pre-negotiated settlement agreement in the form of a Consent Decree dated October 14, 2020 with the U.S. Department of Justice Environmental and Natural Resources Division, the U.S. Department of Transportation Pipeline Hazardous Materials Safety Administration, the U.S. Environmental Protection Agency, the California Department of Fish and Wildlife, the California Department of Parks and Recreation, the California State Lands Commission, the California Department of Forestry and Fire Protection's Office of the State Fire Marshal, the Central Coast Regional Water Quality Control Board, and the Regents of the University of California. The Consent Decree resolved all regulatory claims related to the pipeline incident and contains requirements for potentially restarting the Las Flores Pipeline System.

Sable is now the ~~holding parent company for the owner of SYU, POPCO Gas Plant, and Las Flores Pipeline System. Pacific Onshore Pipeline Company PPC. POPCO~~ remains the legal owner of the POPCO Gas Plant, and ~~Pacific Pipeline Company PPC~~ remains the legal owner of the Las Flores Pipelines; ~~however both companies are now wholly-owned subsidiaries of Sable.~~ Sable would be the Guarantor and Operator for all of the facilities. Sable is a ~~limited liability company under Delaware state law; corporation~~ and was formed on October 16, 2020 for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or other similar business combination with one or more business entities. Sable is now classified as an "emerging growth company" under the JOBS Act. A substantial portion of the ~~existing employees of the formerly employed by Exxon at~~ SYU have continued in their same capacity with Sable.

Sable is requesting a Change of Ownership, Operator, and Guarantor for the three Final Development Plan Permits under Chapter 25B of the County's Code of Ordinances that governs the change of owner, operator, or guarantor for certain oil and gas facilities.

On April 24, 2024, Sable received the Systems Safety and Reliability Review Committee's (SSRRC's) comments on the updated LFC POPCO SIMQAP submitted as part of the subject applications. Attachment F contains an update to the plan addressing the committee's concerns. All comments were incorporated. Only SSRRC comments that required clarification were retained.

Sable asserts that portions of this document and attachments contain information that is exempt from disclosure under the California Public Records Act and other laws. Should the County receive a request to disclose information that Sable has claimed to be confidential or if the County seeks to disclose such information on its own, Sable understands that the County will provide Sable with advanced notice of any proposed action and will afford Sable an opportunity claim confidential treatment by the County and/or seek an appropriate remedy in court.

Sincerely,

A handwritten signature in blue ink, appearing to read 'SR', with a long horizontal line extending to the right.

Steven P. Rusch
VP, Regulatory & Environmental Affairs



July 1, 2024

Jacquelynn Ybarra
Senior Planner
County of Santa Barbara – Energy, Minerals & Compliance Division
123 E. Anapamu St.
Santa Barbara, CA 93101

Re: Response to Determination of Application Incompleteness
Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO
Gas Plant, and the Las Flores Pipelines Permit Transfers

Dear Ms. Ybarra,

We are in receipt of County of Santa Barbara – Energy Minerals & Compliance Division's (the County) June 17, 2024, response to Sable Offshore Corp.'s (Sable) application for Changes in Owner, Operator, and Guarantor of the Santa Ynez Unit (SYU), Pacific Offshore Pipeline Company (POPCO) Gas Plant, and Las Flores Pipelines Permit Transfers.

In the following paragraphs please find responses to the County's June 17th request for additional material related to the application:

1. Financial Guarantees.

- a) Please provide copies of the Certificate(s) of Financial Responsibility when received from OSPR. Please provide a clear and detailed explanation if there are separate financial assurance instruments that cover the different facilities or parts of the facility, or if there are multiple instruments. Describe if the financial assurances provided by Sable are substantially identical to those provided by the existing Guarantors for the facilities. If not, please explain any differences.*

Sable has applied for Certificates of Financial Responsibility (COFRs) with the California Department of Fish & Wildlife's Office of Spill Prevention and Response (OSPR) in accordance with California Code of Regulations Title 14, Natural Resources Division 1, Fish and Game Commission – Department of Fish & Game Subdivision 4, Office of Spill Prevention and Response Chapter 2, Financial Responsibility. These applications, currently under review by OSPR, cover the inland and marine requirements for both Pacific Pipeline Company and Sable Offshore Corp. in accordance with California state law. We await their response. Upon commencement of production from the Santa Ynez Unit and flow of crude oil through the related Santa Ynez Unit,

Las Flores Canyon, and Pacific Pipeline Company facilities, we expect to provide financial assurance amounts under these COFRs substantially identical to that provided by the previous Guarantors of these facilities.

- b) Please provide copies of Sable's current insurance policies for the facilities relating to oil spills or natural resource damages.*

Attachment A contains the Certificate of Liability Insurance which certifies the listed policies of insurance have been issued to Sable, the insured, for facilities relating to oil spills or natural resource damages.

2. Compliance Plans.

- a) Please incorporate County comments provided to Sable on May 20, 2024 for the SYU-POPCO Emergency Response Plan and resubmit.*

This confidential document will be sent today via a file share platform. All comments were incorporated. Only SSRRC comments that required clarification were retained.

- b) Please incorporate County comments on the following Compliance Plans and resubmit. Comments will be uploaded to the County's file sharing account, and the Case Planner will provide a link for download.*

- i. LFC-POPCO SIMQAP*
- ii. LFC POPCO Fire Protection Plan*
- iii. Las Flores Pipelines SIMQAP*
- iv. Las Flores Pipelines Incident Contingency Plan*

These confidential documents will be sent today via a file share platform. All comments were incorporated. Only comments that required clarification were retained.

3. Las Flores Pipeline Transition Plan. Please revise the Transition Plan to include the following:

- a) Indicate personnel titles that directly transferred from the previous operators to Sable on the organizational chart, and any additional positions to be filled (similar to what was provided for the LFC-POPCO Transition Plan).*
- b) Under "Staffing and Support", describe the background and relevant experience and qualifications of personnel from Director of Pipeline*

Operations down, as listed in the organizational chart. Note “First Line Supervisor” is detailed in the text; however the position is not listed in the organizational chart.

- c) Describe the anticipated schedule of hiring.*
- d) Describe the enhanced spill response procedures proposed as part of the BAT Risk Analysis.*
- e) Describe the superior leak detection and Real Time Transient Modeling (RTTM) systems that would be in place within the new Operations Control Center (OCC).*

Attachment B contains the updated confidential document.

4. LFC – POPCO Transition Plan.

- a) Under “Staffing and Support”, describe the background and relevant experience and qualifications of personnel listed in the organizational chart.*
- b) Describe the anticipated schedule of hiring.*

Attachment C contains the updated confidential document.

- 5. Emergency Response Plan Drills.** *Describe the roles and responsibilities of the Incident Management Team (IMT) members who participated in the 2023 drills for the facilities who would continue to serve on the proposed IMTs going forward. Describe if any roles and responsibilities have not been carried over and any positions that would need to be filled, and the anticipated schedule for hiring.*

The SYU and PPC IMT has maintained consistent personnel in the Command Staff, Section Chiefs, and General Staff with very limited changes due to the ownership transfer. All positions within the Sable Offshore IMT Organization are currently filled. Attachment D details the continuity in roles and responsibilities of the experienced legacy Incident Management Team.

- 6. Operator Capability.** *Please describe the estimated capital required to complete the repairs necessary to restart production, obtain approvals from local, state, and federal regulators, and finalize any outstanding settlement agreements related to the facilities.*

See SEC Filings for Sable Quarterly Report, Form 10-Q, May 15, 2024, page 29.

We have reviewed the project description and request the following change to the fifth paragraph:

Sable is now the owner of SYU, POPCO, and PPC. POPCO remains the legal owner of the POPCO Gas Plant, and PPC remains the legal owner of the Las Flores Pipelines. Sable would be the Guarantor and Operator for all of the facilities. Sable is a Delaware corporation, and was formed on October 16, 2020 for the purpose of effecting a merger, share exchange, asset acquisition, share purchase, reorganization or other similar business combination with one or more business entities. Sable is a publicly traded company on the New York Stock Exchange trading under the ticker symbol "SOC and is ~~now~~ classified as an "emerging growth company" under the JOBS Act. A substantial portion of the employees formerly employed by Exxon at SYU have continued in their same capacity with Sable.

Sable asserts that portions of this document and attachments contain information that is exempt from disclosure under the California Public Records Act and other laws. Should the County receive a request to disclose information that Sable has claimed to be confidential or if the County seeks to disclose such information on its own, Sable understands that the County will provide Sable with advanced notice of any proposed action and will afford Sable an opportunity claim confidential treatment by the County and/or seek an appropriate remedy in court.

Sincerely,

Steve Rusch

Steven P. Rusch
VP, Regulatory & Environmental Affairs

Attachment A

Certificate of Liability Insurance

CONTAINS CONFIDENTIAL INFORMATION/ EXEMPT FROM DISCLOSURE UNDER CALIFORNIA PRA

Attachment B

Las Flores Pipeline Transition Plan

CONTAINS CONFIDENTIAL INFORMATION/ EXEMPT FROM DISCLOSURE UNDER CALIFORNIA PRA

Attachment C

LFC – POPCO Transition Plan

CONTAINS CONFIDENTIAL INFORMATION/ EXEMPT FROM DISCLOSURE UNDER CALIFORNIA PRA

Attachment D

Sable Incident Management Team

Command Staff

- **Incident Commander (IC):** The Incident Commander's is responsible for the overall management of the incident. On most incidents, the command activity is carried out by a single IC, however some incidents, may require the responsibilities and activities be carried out by multiple IC's formed into a Unified Command (UC). The IC is selected based on qualifications and experience. This position continues to be supported by experienced, legacy IMT member.
- **Deputy Incident Commander (DPIC):** Deputy Incident Commanders have the same qualifications as the IC for whom they work. A DPIC must be ready to take over that position at any time. When span of control becomes an issue a DPIC may be utilized to manage the Command Staff. This position continues to be supported by experienced, legacy IMT member.
- **Safety Officer (SOFR):** The Safety Officer (SOFR) function is to develop and recommend measures for assuring safety regarding all aspects within the response. The SOFR identifies and establishes safe work practices which are published in the ICS 201-5 and the ICS 208 Site Safety Plan. The SOFR also evaluates the operational tactics for hazardous conditions or functional practices and provides procedures and safeguards to mitigate hazardous situations. Only one primary SOFR will be assigned for each incident. This position continues to be supported by experienced, legacy IMT member.
- **Security Officer (SEFR):** The Security Officer is responsible for ensuring safeguards needed to protect personnel and property from loss or damage are in place. This position continues to be supported by experienced, legacy IMT member.
- **Liaison Officer (LOFR):** The Liaison Officer is the conduit for assisting and cooperating agency organization representatives. Incidents that are multijurisdictional, or have several agencies involved may require the establishment of the LOFR position on the Command Staff. The LOFR does not normally have decision making authority unless delegated by the IC/UC. Only one primary LOFR will be assigned for each incident, including incidents operating under multi-jurisdiction incidents. The LOFR may have Assistant Liaison Officers (ALOFR's) as necessary. The ALOFR's may be from different organizations but function as a representative of the IC/UC, not their parent organization. This position continues to be supported by experienced, legacy IMT member(s).

- **Legal Officer (LEGO):** The Legal Officer is responsible for identifying potential legal issues stemming from the incident and providing advice and direction on all matters of a legal nature. These matters may include claims, legal requirements relating to the emergency response, investigations, Natural Resource Damage Assessment and Restoration (NRDAR), major procurement contracts, insurance coverage, and review of information releases to the media, government agencies and the public. The Legal Officer should coordinate with LOFR to ensure communication with stakeholders. This position is Company specific and has been filled with a knowledgeable, experienced Sable employee.
- **Public Information Officer (PIO):** The **Public Information Officer** is responsible for developing and releasing information about the incident to the news media, to incident personnel, and to other appropriate agencies and organizations. Only one PIO will be assigned for each incident, including incidents operating under a UC and multi-jurisdiction incidents. The PIO may have Assistant Public Information Officers (APIO) as necessary, and the assistants may also represent assisting agencies or jurisdictions, however they function as a representative of the UC and not their parent organization. This position is Company specific and has been filled with a knowledgeable, experienced Sable employee.

Section Chiefs

- **Operations Section Chief (OSC):** The Operations Section Chief a member of the General Staff, is responsible for the management of all tactical operations directly applicable to the primary mission. The OSC activates and supervises operational elements in accordance with the Incident Action Plan (IAP) and directs its execution. The OSC also directs the preparation of unit operational plans, requests or releases resources, makes expedient changes to the IAP, as necessary; and reports such to the Incident Commander (IC). This position continues to be supported by experienced, legacy IMT member.
- **Deputy Operations Section Chief (DOSC):** The OSC may have one or more Deputy Operations Section Chief who will hold the same level of qualifications as the OSC. The role of the DOSC is flexible. The DOSC may support the OSC in a relief capacity by managing the Operations Section in the Incident Command Post (ICP) or by supervising field operations. The DOSC may be selected from other organizations, agencies, or jurisdictions. The OSC may assign a DOSC or On-Scene Commander (OC) to supervise on-scene operations. This position continues to be supported by experienced, legacy IMT member.
- **Planning Section Chief (PSC):** The Planning Section Chief (PSC), a member of the General Staff, is responsible for the collection, evaluation, dissemination of incident information, documentation and maintaining status of assigned resources.

Information flow is key to: 1) understand the current situation ; 2) predict the probable course of incident events; 3) prepare alternative strategies for the incident; and 4) submit required incident status reports. This position continues to be supported by experienced, legacy IMT member.

- **Deputy Planning Section Chief (DPSC):** The PSC may have Deputy Planning Section Chiefs, who may be from the same organization or from an assisting agency. The Deputy PSC should have the same qualifications for whom they work and must be ready to take over the position at any time. This position continues to be supported by experienced, legacy IMT member.
- **Logistic Section Chief (LSC):** The Logistics Section Chief is a member of the General Staff and is responsible for providing and managing facilities, services, people, and material in support of the incident. Support may include sourcing incident resources, communications, housing, and necessary services. The LSC helps to develop and implement the IAP and activates/supervises the branches and units within the Logistics Section. This position continues to be supported by experienced, legacy IMT member.
- **Deputy Logistics Section Chief (DLSC):** The LSC may have deputies, who may be from the same organization or from an assisting agency. Deputy LSCs must have the same qualifications as the person for whom they work, as they must be ready to take over that position at any time. This position continues to be supported by experienced, legacy IMT member.
- **Finance Section Chief (FSC):** The Finance Section Chief is responsible for all financial ,administrative, cost analysis aspects of the incident which may include identifying appropriate funding sources and developing daily, cumulative, and estimated cost reports to review with the IC/UC. The FSC is responsible for supervising members of the Finance Section. This position continues to be supported by experienced, legacy IMT member.
- **Deputy Finance Section Chief (DFSC):** The FSC may have Deputy Finance Section Chiefs, who may be from the same organization or from an assisting agency. The DFSC must have the same qualifications as the person for whom they work, as they must be ready to take over that position at any time. This position continues to be supported by experienced, legacy IMT member.

General Staff

- **Operations Branch Director (OPBD):** The Operations Branch Directors, when activated, are under the direction of the OSC and are responsible for the implementation of the portion of Incident Action Plan (IAP) appropriate to the

Operations Branch(s), when activated. This position continues to be supported by experienced, legacy IMT member.

- **Source Control:** The Source Control function (if activated) may be located in a variety of places in the organization, based on incident needs and the construct of the IMT. The Source Control Function is responsible for the development and implementation of a Source Control Plan that includes coordinating on-site source control activities which may include, coordinating and implementing source assessments, debris removal, well capping and containment operations. This position continues to be supported by experienced, legacy IMT member(s).
- **Wildlife Branch Director:** The Wildlife Branch Director is responsible for minimizing wildlife injuries during spill responses; coordinating early aerial and ground reconnaissance of wildlife at the spill site and reporting results to the Situation Unit Leader (SITL); advising on wildlife protection strategies; removing oiled carcasses, employing wildlife hazing measures as authorized in the IAP; and recovering and rehabilitating impacted wildlife. This position continues to be supported by experienced, legacy IMT member.
- **Situation Unit Leader (SITL):** The Situation Unit Leader is the primary node for information management, which may include both unclassified and classified information. The SITL is responsible for collecting, processing, and organizing information relating to incident growth, mitigation, or intelligence activities. The SITL may prepare future projections, maps, and intelligence information. This position continues to be supported by experienced, legacy IMT member.
- **Resource Unit Leader (RESL):** The Resource Unit Leader is responsible for maintaining the status of all assigned tactical resources and personnel at an incident. This is achieved by overseeing the check-in of all tactical resources and personnel, and maintaining a status-keeping system indicating the current location and status of all these resources. This position continues to be supported by experienced, legacy IMT member.
- **Documentation Unit Leader (DOCL):** The Documentation Unit Leader is responsible for establishing a filing system for the maintenance of accurate, up-to-date incident information that will constitute the incident's legal record. The DOCL shall ensure each section is maintaining and providing appropriate documents for inclusion in the incident file. The DOCL will, after the response is terminated, provide to the IC the complete set of incident files to store for legal, analytical, and historical purposes. The DOCL prepares meeting minutes, track open action items, and maintain the Incident Event Log. This position continues to be supported by experienced, legacy IMT member.

- **Environmental Unit Leaders (ENVL):** The Environmental Unit Leader (ENVL) is responsible for environmental matters associated with the response, including strategic assessment, modeling, surveillance, sensitive area identification, and environmental monitoring and permitting. The ENVL may be staffed or co-staffed by an agency representative as required by state policy or the Incident Commander/Unified Command (IC/UC). This position continues to be supported by experienced, legacy IMT member.
- **Resource at Risk Specialist (RAR):** The Resources at Risk (RAR) Technical Specialist is responsible for the identification of resources thought to be at risk from exposure to the released material, through the analysis of known and anticipated movement, and the location of natural, economic resources, and historic properties. The RAR Technical Specialist considers the relative importance of the resources and the relative risk to develop a priority list for protection. This position continues to be supported by experienced, legacy IMT member.
- **Shoreline Clean-up Assessment Technique Coordinator (SCAT Coordinator):** The Shoreline Cleanup Assessment Technique (SCAT) Coordinator is responsible for providing information on shoreline types and degree of impact, along with appropriate Shoreline Treatment Recommendations (STRs) to the Environmental Unit Leader. Coordinator establishes appropriate number of SCAT Teams & coordinates their activities as well as recommends cleanup endpoints. This position continues to be supported by experienced, legacy IMT member.
- **Communications Unit Leader (COML):** The Communications Unit Leader is responsible for developing plans for the effective use of incident communications equipment and facilities; installing and testing of communications equipment; supervision of the Incident Communications Center (ICC); distribution of communications equipment to incident personnel; and the maintenance and repair of communications equipment. This position is Company specific and has been filled with a knowledgeable, experienced Sable employee.
- **Supply Unit Leader (SPUL):** The Supply Unit Leader is primarily responsible for procuring all resources (personnel, equipment and supplies) for the incident. The SPUL is also responsible for receiving, storing and distributing all supplies; maintaining an inventory of supplies; and storing, disbursing and servicing non-expendable supplies and equipment. Coordination of resource accountability should occur between SPUL, Staging Area Manager (STAM), and Resource Unit Leader (RESL). This position continues to be supported by experienced, legacy IMT member.
- **Procurement Unit Leader (PROC):** The Procurement Unit Leader is responsible for administering all financial matters pertaining to vendor contracts, leases, and fiscal agreements. The PROC shall execute all procurements in accordance with the

policies and procedures of their organization, subject to IC/UC direction. This position continues to be supported by experienced, legacy IMT member.

- **Compensation/ Claims Unit Leaders (COMP):** The Compensation/Claims Unit Leader is responsible for the overall management and direction of all administrative matters pertaining to compensation for injury and claims related activities (other than injury) for an incident. This position is Company specific and has been filled with a knowledgeable, experienced Sable employee.



July 23, 2024

Jacquelynn Ybarra
Senior Planner
County of Santa Barbara – Energy, Minerals & Compliance Division
123 E. Anapumu St.
Santa Barbara, CA 93101

Re: Response to Determination of Application Incompleteness
Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO
Gas Plant, and the Las Flores Pipelines Permit Transfers

Dear Ms. Ybarra,

We are in receipt of the County of Santa Barbara – Energy Minerals & Compliance Division's (the County) July 12, 2024, response to Sable Offshore Corp.'s (Sable) application for Changes in Owner, Operator, and Guarantor of the Santa Ynez Unit (SYU), Pacific Offshore Pipeline Company (POPCO) Gas Plant, and Las Flores Pipelines Permit Transfers.

In the following paragraphs please find responses to the County's request for additional material related to the application:

1. *Las Flores Pipeline Transition Plan. Please revise the Transition Plan to include the following:*

- a) *On the organizational chart, please indicate personnel titles that directly transferred from the previous operators (including contractors) to Sable, Sable employees, independent contractors, and positions to be filled, similar to what was provided for the LFC-POPCO Transition Plan.*
- b) *Under "Staffing and Support", describe the background and relevant experience and qualifications of personnel from Director of Pipeline Operations down, as listed in the organizational chart. Note that the text states there are five full time employees, however the organization chart lists ten California-based employees. List out the key full-time employees, describe their role and responsibilities, and provide a resume-type summary for each position. Text should also describe back-up personnel with sufficient training so that loss of one or more key individuals, even if due to temporary loss-of-time, will not pose undue risk during operations.*

- c) *The plan states that recruitment and hiring has begun with several new employees on boarded, and that additional employees will be hired over the next several months. In addition to indicating these positions as requested in item 1.a. above, please demonstrate how training has or will occur for new hires that did not participate in the May 14, 2024 cross training with Pacific Pipeline Company and ExxonMobil Pipeline Company.*
- d) *Provide a summary of the proposed enhanced spill response procedures proposed as part of the BAT Risk Analysis.*
- e) *Provide a summary of the superior leak detection and Real Time Transient Modeling (RTTM) systems that would be in place within the new Operations Control Center (OCC).*

Attachment 1 contains the revised Las Flores Pipeline System Transition Plan addressing the requested items.

2. LFC – POPCO Transition Plan.

- a) *Under “Staffing and Support”, describe the background and relevant experience and qualifications of personnel listed in the organizational chart responsible for daily onsite activities, health and safety, and regulatory compliance. List out the key full-time employees, describe their role and responsibilities, and provide a resume-type summary for each position. Text should also describe back-up personnel with sufficient training so that loss of one or more key individuals, even if due to temporary loss-of-time, will not pose undue risk during operations.*
- b) *The plan states that recruitment and hiring has begun with several new employees on boarded, and that additional employees will be hired over the next several months. In addition to indicating these positions as requested in item 2.a. above, please demonstrate how training has or will occur for new hires that did not participate in the May 14, 2024 cross training with ExxonMobil.*

Attachment 2 contains the revised SYU and POPCO Transition Plan addressing the requested items.

It is our understanding that this submittal provides all additional information required to complete this application. If you have any questions regarding this material please contact me at srusch@sableoffshore.com or 323 697-2060.

Sincerely,

A handwritten signature in blue ink, consisting of a stylized 'S' followed by a horizontal line.

Steven P. Rusch
VP, Regulatory & Environmental Affairs



ATTACHMENT 1
Las Flores Pipeline System Transition Plan

ATTACHMENT 2
SYU and POPCO Transition Plan

**ATTACHMENT E-1
TRANSITION PLAN
SYU/POPCO GAS PLANT**

SABLE OFFSHORE CORP.

Transition Plan

Santa Ynez Unit and Pacific Offshore Pipeline Company

July 2024

Issued by:



Background

On February 14, 2024, Sable Offshore Corp. ("Sable") acquired from Exxon Mobil Corporation ("EM") all Santa Ynez Unit assets, as well as all outstanding shares of Pacific Offshore Pipeline Company ("POPCO"). Sable is now the owner of the Santa Ynez Unit ("SYU"). POPCO remains the owner of the POPCO facilities and is a wholly owned subsidiary of Sable. Sable is the operator of SYU and the POPCO facilities.

This transitional plan has been prepared to meet the requirements of Santa Barbara County ("County") Code of Ordinances Chapter 25B Section 25B-6(f)(5)(b) to demonstrate that the new operator shall receive adequate training, including by means of cross training by the previous operator, where feasible, and shall have a good working knowledge of the crucial compliance plans listed in the chapter before assuming control of operations.

Sable personnel, from the management team to front-line employees, are established oil and gas operators with the skills and training necessary to operate the facilities safely and in full compliance with all permits and all applicable Federal, State, and County codes. The experienced operations and maintenance staff have transitioned directly to Sable employment bringing a history of experience operating and maintaining the facilities and provide continuity in safe work practices. The existing local management team also transitioned bringing with them an excellent and experienced working knowledge of the compliance plans associated with these development plans.

Through overlapping processes for regulatory, operations, and compliance activities, Sable has established and molded its operating processes and procedures to meet or exceed all applicable regulations. This includes, but is not limited to, established day-to-day operations, emergency response, oil spill response, damage prevention, one-call, pipeline surveillance, field/facility inspections, right-of-way maintenance, records management, and facility security protocols. Furthermore, all Santa Barbara County Air Pollution Control District Air Permits have been transferred and air quality permit compliance activities are established.

Sable retains the training, skills, and knowledge to operate the facilities in a safe and environmentally responsible manner, and in-line with applicable regulatory and permit requirements. Sable received adequate cross training from EM and has, to the extent necessary, adapted its already-established programs and practices.

Name and Address of Owner SYU: Sable Offshore Corp.
845 Texas Ave., Ste. 2920
Houston, TX 77002

**Name and Address of Owner
POPCO:** Pacific Offshore Pipeline Company
12000 Calle Real,
Goleta CA 93117

Name and Address of Operator: Sable Offshore Corp.
845 Texas Ave., Ste. 2920
Houston, TX 77002

Facilities

Facilities addressed by this transition plan include all operations permitted through the development permits noted below and are generally referred SYU and the POPCO facilities.

These assets are covered and described by the following Santa Barbara County Final Development Permits ("FDPs"):

Exxon Mobil Corporation Santa Ynez Unit Expansion Project 87-DP-32cz (Modified on July 25, 2001 with 87-DP-032cz (RV05) Synergy Project) (Modified on February 19, 2003 with 87-DP-032cz (RV06) Offshore Power Cable Repair & Enhancement Project)

POPCO Gas Plant Expansion 93-FDP-015 and 74-CP-II (RVI)

Approach to Transition

Leading up to change in ownership and control, EM and Sable reviewed and discussed at length all active permit conditions, regulatory programs, and procedures (including local, regional, and federal statutory requirements). Following the acquisition, to ensure a seamless transition of Operatorship of the facilities, EM, operating under a Transition Services Agreement, assisted Sable in the transition of an array of activities as is often customary with the transfer of oil and gas assets. Namely, EM coordinated with Sable personnel to ensure continuity of key regulatory, operations, and compliance activities while Sable performed additional cross-training and established and adjusted its own processes and procedures.

The following are examples of some of the transition activities undertaken:

- Overhead lifting device and crane maintenance through EM Centralized Maintenance Organization

- Warehouse management: shipping and receiving.
- Material and Services requisitioning

As stated earlier, the experienced operations staff have transitioned directly to Sable employment bringing a history of experience in operating and maintaining the facilities and provide continuity in safe work practices. The existing local management team also transitioned bringing with them an excellent and experienced working knowledge of the compliance plans associated with these development plans. This continuity of personnel allows the smooth and seamless transition of the asset from one owner and/or operator to the next. Staffing through EM retired employees (referred to as annuitants) also bolstered knowledge transfer during the transition.

Additionally, Sable and EM focused their care and attention on the transfer of records associated with the assets along with establishing Sable's Department of Transportation ("DOT"), Bureau of Safety and Environmental Enforcement ("BSEE"), County Air Pollution Control District, County FDP, and other necessary programs for SYU and the POPCO facilities. All applicable and transferrable records, as required per regulatory and Company retention policies related to the facilities have been transferred from EM to POPCO and Sable. Lastly, cross-training for employees new to the asset have been performed through field and facility tours led by local experienced staff and through sharing and discussion of operating, safety, health, and environmental protection procedures and knowledge.

Cross-training and transition by EM concluded on May 14, 2024, and Sable has established and vetted overlapping processes for regulatory, operations, and compliance activities.

Sable is fully transitioned and has deployed its well-established training, skills, and knowledge to operate SYU and POPCO facilities in a safe and environmentally responsible manner, in line with all applicable regulatory and permit requirements.

The following sections highlight specific aspects of the transition.

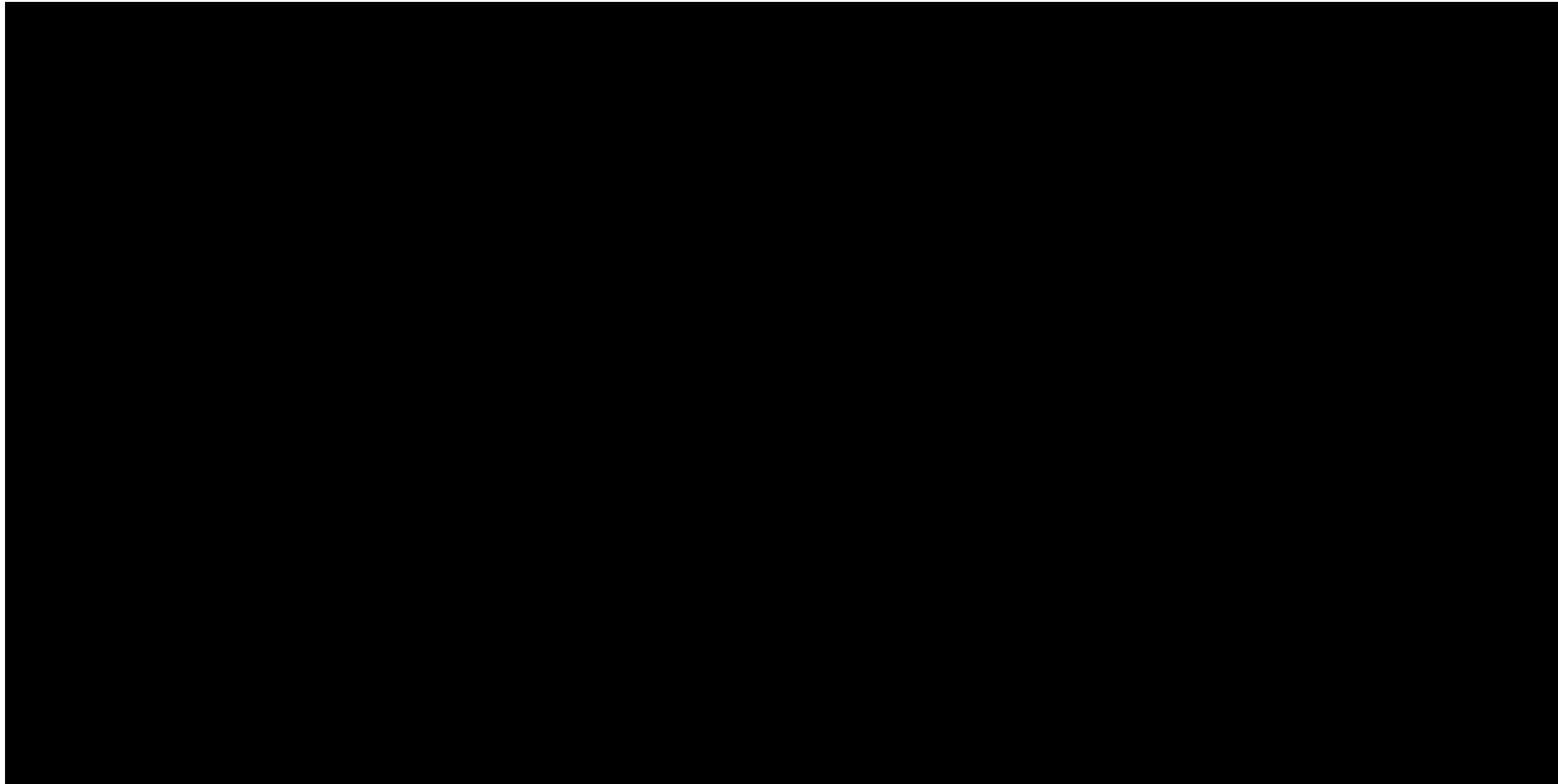
Staffing and Support

Locally-based staffing is unchanged as Sable has hired experienced operations and maintenance, local management team and annuitants previously employed by EM. As appropriate Sable has continued relationships with EM contactors that have long term histories of supplying the facilities with workforce in areas including base maintenance and construction, safety services, landscaping, security, material handling and inventory management, third party testing and inspection services, nondestructive material evaluation, coatings evaluation and restoration, and DOT required pipeline integrity management

inspections.

Furthermore, Sable has a robust headquarters group, as well as dedicated contractors with specialists who support various aspects of oil and gas operations. Positions in this group that are critical to the operation of the assets include: DOT and BSEE Safety Advisors, Land and Right-of-way Agents, Field Environmental Advisors, Engineers of various disciplines, Commercial Representatives, Public Affairs, Safety Advisors, and Legal Services. Sable has strong relationships with local and regional contractors that provide specialized support and construction expertise.

Sable supports this asset with people that have applicable experience, training and capabilities necessary to operate the assets. Staffing levels are dictated by level of need through transition and restart and are consistent with staffing levels of the former operator. The recruitment and hiring process has begun for all required positions to be filled with several new employees already onboarded. An organizational chart including employee background of relevant experience is provided on the following page for reference. Background, relevant experience, qualifications and roles and responsibility of key employees is provided as Attachment 1.



Training

Local employees have transitioned to Sable employment with years of site-specific training which will continue under the new operatorship. Sable has well established training processes to support safe and environmentally sound oil and gas operations which will be used for all newly hired employees that were not part of the cross training with the previous owner. This training, including safety training, emergency response training, operations, and maintenance training, and regulatory/environmental is all in place and detailed within the Safety Inspection, Maintenance and Quality Assurance Program ("SIMQAP"). Additionally, Sable and EM conducted knowledge-transfer activities to ensure asset specific and field knowledge was adequately transferred.

Safety Training

Employees are trained on safe work practices specific to oil and gas operation, construction, and maintenance. This includes participation in comprehensive safety awareness and training programs, ranging from in-house sessions to off-site schools and seminars. Continued training is provided to all personnel as needed for their work assignments. Safety briefings and safety meetings are used to inform employees and contractors of general safety information and to provide instructions regarding new substances, equipment, or hazards introduced into the workplace.

Safety training is required for all new employees and whenever an employee changes job classifications and applicable refresher training is considered. Training will also be provided whenever new substances, processes, procedures, or equipment that may represent new hazards are introduced into the workplace. In addition, supervisors discuss special hazards prior to beginning non-routine jobs.

Operations and Maintenance Training

Sable's training program includes all aspects of on-site specific work, safety, technical information, regulatory compliance, environmental compliance, maintenance, and operations. Classroom instruction on theory and practical operation of the oil and gas facilities, process safety and the hazards of the products present, fire prevention equipment, and preventive maintenance. On-the-job training within the pipeline facilities is conducted to familiarize each employee and contractor, as applicable, with the overall layout and operation of the system, critical equipment, and controls.

Regulatory/Environmental Training

Training is conducted to educate employees about applicable permit conditions and environmental regulations. The extent of training ranges from "awareness" level training to specific task-based training. For instance, all associates are given awareness training on the various permit conditions related to the facility, while specific training is given to associates on Emergency Response. For the SYU DOT regulated pipelines which are subject to 49 CFR Part 192 and 195, compliance with Subpart N 192.801-192.809 and Subpart G Section 195.501 to 195.509 is ensured through established training programs and Operator Qualification ("OQ") Programs.

Emergency Response Training

An ongoing training and exercise program is carried out for the assets. Exercises are performed to validate the effectiveness of the training and to test the Sable Oil Spill Response Plan ("OSRP"). In addition to maintaining thorough familiarity with all aspects of the plan, the training and exercise program is intended to provide members of the response team with the knowledge, skills, and practical experience necessary to perform safe and effective response operations under the OSRP. The Response Group ("TRG") assisted in preparation of the Oil Spill Response Plan for SYU for the previous owner therefore has extensive knowledge of the facilities and emergency response process. Sable has contracted TRG to assist in ensuring the OSRP and related training is industry leading.

Experienced, well-trained people are the building blocks for successful implementation of Emergency Response preparedness. Exercises are performed to check the effectiveness of the training and to test the plan. An ongoing training and exercise program will be carried out at the facility. In addition to maintaining maximum familiarity with all aspects of the plan, the training and exercise program is intended to provide members of the spill response team with the basic knowledge, skills, and practical experience necessary to perform safe and effective spill response operations under this plan.

The oil spill response plan under the previous owner was last exercised on September 21, 2023 in coordination with representatives from the County, the California Office of Spill Prevention and Response, the United States Coast Guard, BSEE and the National Park Services. Exercise credit was approved by BSEE on September 21, 2023. The local Incident Management Team that performed that exercise has transferred from EM to employment with Sable and has extensive experience exercising response plans for the SYU assets.

Competency Management

Sable manages competency and training of personnel to ensure a qualified workforce with respect to operations and maintenance of oil and gas facilities. The training structure focuses on the following objectives:

- **Defining Job Competencies and Requirements:** This includes base safety and compliance expectations, as well as specific competencies related to skills, knowledge, experience, and capabilities that are unique to the nature of operation, job expectations, and specific risks.
- **Developing Training:** Our training program leverages global job roles as a foundation to instill consistency while tailoring training programs to localized, supplemental, and other pertinent training modules and activities.
- **Conducting training:** This includes tracking training status, establishing training schedules, and keeping programs evergreen through a continuous improvement process.

Verifying and measuring competency: We ensure the training objective is achieved and

requirements are confirmed with through training verification exercises and in-field checks.

Asset-Specific Knowledge Transfer

As noted in previous sections, broad and detailed asset-specific knowledge has been maintained via the transfer of the experienced workforce from EM to Sable employment. Additionally, site visits and meetings were held between EM and Sable personnel to review various aspects of SYU and POPCO facilities. This included reviewing facility operational concepts and procedures, reviewing right-of-way easements and access roads, access points, and contractor abilities, discussion of operating, safety, health, and environmental protection procedures and knowledge, and discussion about the asset history.

Summary

Extensive interface occurred with EM leading up to and after the sale to ensure continuity of operations, maintenance, and inspection activities and transfer asset-specific knowledge. Sable adjusted, where necessary, its already well-established company programs, processes, and procedures to SYU and POPCO facilities. Sable is an established operator and has the training, skills, and knowledge to operate SYU and the POPCO facilities in a safe and environmentally responsible manner, and consistent with applicable regulatory and permit requirements.

Attachment 1

Key Employee Data

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

RECORD OF REVISIONS

Plan Revision	Date of Revision	Description of Revision
Original		Original, developed for acknowledgement of Permanent Operator under Ordinance 258



The plans listed below have been received and reviewed by staff. Distribution varied based on applicability of each plan to particular staff member's responsibilities and operational status of plan. All plans have been approved by senior staff and leadership. See description of distribution for each plan. Emergency Response related plans were distributed to all staff and reviewed during safety meetings. Emergency procedures are further reviewed during each scheduled drill.

LFC and POPCO Fire Protection Plan – All staff

LFC POPCO Emergency Response Plan – All staff

LFC and POPCO Preservation Task List – Engineering and operations staff involved in management of this program

LFC-POPCO SIMQAP - Engineering and operations staff involved in management of this program

LFC Integrated Noise Monitoring Plan – Operations staff

Ground Water Management Plan – Personnel involved in managing this program

SYU Security Control Plan – Safety personnel involved in plant security

SYU Transition Plan – Leadership team

SBC Harbor Usage Plan – Staff involved in the scheduling and transport from SBC Harbor

Transportation Risk Management Prevention Plan - Personnel that will be involved in management of this program

NGL Inventory Management Plan – Personnel that will be involved in management of this program

Las Flores Pipeline Integrated Contingency Plan – All Incident Management Team and related staff.

PPC Noise Monitoring Plan – All manager and supervisors

PPC SIMQAP – All manager and supervisors

Las Flores Pipeline Station Fire Protection Plan - All manager and supervisors

PPC Noise Monitoring and Control Plan - All manager and supervisors

PPC Transition Plan – Leadership team



Approved

Steve Rusch

Steve Rusch,

VP- Environmental & Regulatory Affairs, Sable Offshore Corp.

Approved

Lance Yearwood

Lance Yearwood

VP, Pacific Pipeline Company

ATTACHMENT E-2
TRANSITION PLAN
LAS FLORES PIPELINE SYSTEM

**SABLE OFFSHORE CORP.
PACIFIC PIPELINE COMPANY**

Transition Plan

Las Flores Pipeline System

July 2024

Issued by:



Sable asserts that portions of this document contain confidential information that is exempt from disclosure under the California Public Records Act and other laws including, but not limited to, Gov't Code §7297.705, 5 U.S.C. §552(b)(3), (4), (6), 6 U.S.C. §133, and 6 U.S.C. §1207-1208. Should the County receive a request to disclose information that Sable has claimed to be confidential or if the County seeks to disclose such information on its own, Sable requests the County to provide advanced notice of this proposed action and an opportunity for Sable to supplement this claim or seek an appropriate remedy in court.

Background

Pacific Pipeline Company ("PPC") purchased the Las Flores Pipeline (LFP) System (formally referred to as Line 901 from Las Flores Canyon to Gaviota and Line 903 from Gaviota to Pentland) from Plains Pipeline, L.P. ("Plains") on October 13, 2022. Sable Offshore Corp. ("Sable") acquired full ownership of all outstanding shares of PPC on February 14, 2024. These pipelines are covered by Santa Barbara County (SBC) Final Development Permits 88-DPF-033 (RV01)z, 88-CP-60 (RV01), (88-DPF-25cz; 85-DP-66cz; 83-DP-25cz) December 12, 1988 (As Modified through September 19, 2023)). The subject pipelines are registered with Office of State Fire Marshal ("OSFM") as the LFP System under trunk line identifiers CA-324 (formerly 901), CA-325A (formerly 903 Gaviota to Sisquoc), and CA-325B (formerly 903 Sisquoc to Pentland).

PPC is the owner of the LFP System. Sable is the operator of the LFP System, having assumed operations from the previous operator, ExxonMobil Pipeline Company LLC ("EMPCo"). PPC is a wholly owned, direct subsidiary of Sable.

Sable personnel, from the management team to front-line employees, are established pipeline operators with the skills and training necessary to operate the LFP System safely and in full compliance with all permits and all applicable Federal, State, and County codes. Sable has an excellent working knowledge of the compliance plans for these pipelines.

Through overlapping processes for regulatory, operations, and compliance activities, Sable has established and molded its operating processes and procedures for the LFP System. This includes, but is not limited to, established day-to-day operations, emergency response, oil spill response, damage prevention, one-call, pipeline surveillance, field/facility inspections, right-of-way maintenance, records management, and facility security protocols. Many of these best practices are incorporated in PPC's Best Available Technology Retrofit Risk Analysis and Implementation Plan issued as part of Pacific Pipeline Company's AB864 compliance initiative. This plan remains under review by OSFM and is not available to the public. Furthermore, all SBC Air Pollution Control District Air Permits have been transferred and air quality permit compliance activities are established.

Sable retains the training, skills, and knowledge to operate the Las Flores Pipelines System in a safe and environmentally responsible manner, and in-line with applicable regulatory and permit requirements. Sable received adequate cross training from EMPCo and has, to the extent necessary, adapted its already-established programs and practices to this pipeline.

Name and Address of Owner: Pacific Pipeline Company
845 Texas Ave., Ste. 2920
Houston, TX 77002

Name and Address of Operator: Sable Offshore Corp.
845 Texas Ave., Ste. 2920
Houston, TX 77002

Facilities Description

Name of Facilities: Las Flores Pipeline System

CA-324	Las Flores to Gaviota
CA-325A	Gaviota to Sisquoc
CA-325B	Sisquoc to Pentland

Las Flores Canyon Station
Gaviota Station
Sisquoc Station

Type of Facilities: Crude oil pipeline system, comprised of twenty-four (24) and thirty (30) inch pipeline segments, designated for the transportation of crude oil.

Total System Mileage: Approximately 122.9 miles

Santa Barbara County Mileage: Approximately 72.1 miles

The LFP System (formally referred to as Line 901 from Las Flores Canyon to Gaviota and Line 903 from Gaviota to Pentland) is an approximately 123 linear mile crude oil pipeline that runs from the Gaviota Coast in Santa Barbara County to the Pentland Delivery Station in Kern County. It is comprised of three identified segments:

CA-324	Las Flores to Gaviota
CA-325A	Gaviota to Sisquoc
CA-325B	Sisquoc to Pentland

The CA-324 24-inch pipeline generally parallels U.S. Highway 101 along the south coast between the Las Flores Canyon consolidated oil and gas processing facility and the Gaviota Station. The pipeline is located north of U.S. 101 and generally follows powerline and/ or natural gas pipeline rights-of-way across coastal

terraces and deeply incised canyons formed by coastal streams.

The CA-325A 30-inch pipeline extends west from the Gaviota Station to an MOV located east of Gaviota Creek and US 101. It enters Gaviota State Park (the "Park") approximately 0.5 miles east of U.S. 101 and extends westerly across the gently sloping coastal terrace and Canada del Barro before dropping into the Canada de la Gaviota drainage area. It then crosses U.S. Highway 101 and Gaviota Creek (Canada de la Gaviota) immediately south of the U.S. Highway 101 "Caltrans" rest stop areas. The pipeline then extends west and north from the Gaviota Creek MOV. The pipeline continues west up a broad spur ridge to the ridge crest and the westerly boundary of Gaviota State Park. The pipeline traverses narrow ridge crests, crosses out of the park and onto Hollister Ranch for approximately ½ mile, and then crosses back into the Park before descending toward the west fork of Gaviota Creek (Betty Creek). The ROW passes west of the Vista del Mar School and Las Cruces Adobe and then crosses beneath Highway 1 west of its intersection with US 101. The pipeline continues northward along the west side of US 101 through the Santa Ynez Mountains. It crosses long expanses of grasslands across the Las Cruces Ranch and steep walled canyons that form part of the Nojoqui Creek watershed. North of Moonshine Creek, the route crosses ridges with rock outcroppings. The pipeline crosses beneath the Santa Ynez River west and south of Buellton and continues north across the Purisima and Solomon Hills. It crosses the northern edge of the San Rafael Mountains and the eastern edge of the Santa Maria Valley. The pipeline crosses beneath the Sisquoc River and continues north across the river valley. It traverses moderately to severely sloping foothills at Kelly Canyon and extends west to the Sisquoc Station at the southern end of Santa Maria Canyon.

The CA-325B 30" pipeline follows Santa Maria Canyon after leaving the Sisquoc Station. It then extends northeast towards Tepusquet Road. The route crosses relatively gentle terrain until it reaches the crest of the Sierra Madre Mountains where it traverses steep slopes approaching Suey Canyon and Buckhorn Canyon. The pipeline follows the northern edge of the Sierra Madre Mountains south of State Highway 166 through the Los Padres National Forest. The route crosses rugged terrain across the crests of the Sierra Madre Mountains, descends the mountains, crosses the Sierra Madre Ridge Road, and enters the Cuyama River Valley near Gypsum Canyon. At the Cuyama River crossing the pipeline exits Santa Barbara County and enters San Luis Obispo County. The pipeline continues for approximately 44.5 miles through the Shelby Ranch, crossing over the San Andres Fault, and terminating at the Pentland Station in Kern County.

Three pump stations (Las Flores Canyon, Gaviota, and Sisquoc) supplement pressure, measure flow, and employ various instrumentation and equipment to maintain reliable and safe operation.

Line CA-324 has a maximum permitted throughput capacity of 150,000-barrels per day. Line CA-325 has a maximum permitted throughput capacity of 300,000-barrels per day.

The LFP was designed to transport outer continental shelf (OCS) and other locally produced onshore and offshore petroleum from the Santa Barbara and Santa Maria Basins.

Approach to Transition

Leading up to change in ownership and control, EMPCo and Sable reviewed and discussed at length all active permit conditions, regulatory programs, and procedures (including local, regional, and federal statutory requirements). Following the acquisition, to ensure a seamless transition of Operatorship of the active pipeline, EMPCo, operating under a Transition Services Agreement, assisted Sable in the transition of an array of operating activities as is often customary with the transfer of pipeline assets. Namely, EMPCo coordinated with Sable personnel to ensure continuity of key regulatory, operations, and compliance activities for the LFP System while Sable performed additional cross-training and established and adjusted its own processes and procedures for the LFP System.

The following are examples of some of the transition activities undertaken:

- Aerial Surveillance: frequent right-of-way aerial surveillance for length of pipeline
- Damage Prevention: response to One Call tickets as required by applicable laws
- Valve Site Inspections: valve site inspections pursuant to applicable laws
- Cathodic Protection: actions required by applicable laws, including but not limited to rectifier checks, critical interference bond checks (as applicable)
- Site Rounds: site visits to facilities including Las Flores, Gaviota, Sisquoc, and Pentland facilities in accordance with standard procedures
- Field Right-of-Way and Facility Knowledge Transition: sharing of general operations information, access points, gate locations, and local procedures for facilities and rights-of- way.

In addition to these services, Sable and EMPCo focused their care and attention on the transfer of records associated with the pipeline system along with establishing Sable's Department of Transportation ("DOT") and Company-required programs for the LFP System. All applicable and transferrable records, as required per regulatory and Company retention policies related to the LFP System have been transferred from EMPCo to PPC and Sable. Lastly, cross-training has been performed through field & facility tours led by EMPCo and through sharing and discussion of operating, safety, health, and environmental protection procedures and knowledge.

Cross-training and transition by EMPCo concluded on May 14, 2024, and Sable has established and vetted overlapping processes for regulatory, operations, and compliance activities. Sable has established and molded its pipeline system operating processes for the LFP System. This includes establishing maintenance and inspection schedules, regulatory reporting schedules, providing day-to-day monitoring services, and integrating the pipeline into other base company processes.

Sable is fully transitioned and has deployed its well-established training, skills, and knowledge to operate the Las Flores Pipelines System in a safe and environmentally responsible manner, in line with all applicable regulatory and permit requirements.

The following sections highlight specific aspects of the transition.

Staffing and Support

The LFP System has five full-time Sable employees supporting the operation in addition to the support of contracted field operations personnel. Sable employees have between 20 to 35 years' experience each managing pipeline operations in California and throughout the United States in areas including the Permian Basin, Eagle Ford, Haynesville, and deepwater Gulf of Mexico. Specific to California, Sable management has operated pipelines in the San Joaquin Valley, L.A. Basin, Santa Maria Basin, and both offshore and onshore Santa Barbara County in working for prior operators including Plains Exploration & Production Company, Freeport-McMoRan Oil & Gas, and Phillips 66. Sable has also engaged RCP, a well-known and respected pipeline integrity, regulatory and management consulting company to provide support through the transition and post-restart. Founded in 1995, RCP's extensive experience with both the Pipeline and Hazardous Materials Safety Administration (PHMSA) and California Office of the State Fire Marshall (OSFM) is considered critical to developing best practices for Pacific Pipeline Company in adherence with federal and state laws. RCP's support includes but is not limited to creation of numerous regulatory and compliance plans, pipeline integrity services, regulatory support with PHMSA and OSFM, implementation of RCP's patented TaskOp system to track pipeline DOT tasks, maintenance, operator qualifications, pipeline integrity results, and other day-to-day compliance requirements. Additional support was leveraged during the first few months of transition as aspects of the pipeline operation were absorbed under existing Sable procedures and processes, and additional employees will be hired over the next several months as the best available technology systems are developed for items such as the Operation Control Center and Surveillance and Response Team ("SRT").

Staffing Background

Director of Pipeline Operations

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Marketing and Scheduling Manager

[REDACTED]

Pipeline Operations Manager

[REDACTED]

Facilities, ROW & Projects Manager

[REDACTED]

Future Hiring Needs and Practices

PPC has several future positions to fill as it progresses towards fulfillment of the Consent Decree conditions. PPC will leverage Santa Barbara County's abundance of highly experienced, highly qualified veteran oil industry talent when hiring. PPC is in the process of extending offers to two more such individuals for the positions of Operations Supervisor and Mechanical Supervisor.

The Operations Supervisor coordinates with the Operations Manager and various PPC supervisors and managers for the daily operations of Las Flores Pipeline. This includes organizing, planning and communicating the daily operations functions of compliance, product movement, measurement and equipment maintenance. The Operations Supervisor will perform the duties of Construction Field Representative (CFR) to provide construction and/or maintenance coordination, quality control, and general oversight.

The Maintenance Supervisor is responsible for directing maintenance activities associated with maintaining pipeline system integrity to comply with Department of Transportation and state regulatory agency codes and requirements. This includes maintenance of associated above and below ground piping and valving and associated piping/valving in metering and valve stations. In addition, this position is also responsible for ensuring pipeline related projects are designed, communicated and conducted pursuant to engineering starts to meet DOT and state regulatory agency requirements and ensure all safety, environmental, and applicable policies and procedures are maintained and adhered to per company requirements.

As previously mentioned, PPC's Pipeline Operations Manager is dedicated to the LFP System day-to-day field activities and oversees internal company personnel in addition to stewarding contractor activities associated with planning and executing day-to-day activities. The Pipeline Operations Manager is responsible for field operations. Prospective employees go through a rigorous interview and background process with the Vice President, Director of Pipeline Operations and Pipeline Operations Manager, who must all agree without exception on the prospective employee's qualifications and ability to fit into PPC's corporate culture of excellence. Any new employee hired in the field are trained to PPC operational plans and manuals, are required to maintain any operator qualifications required to perform their job duties. Cross-training is performed to ensure adequate coverage of work assignments, and a corporate culture of constant communications ensures all personnel are informed of daily activities.

In addition to PPC personnel, Sable has a robust headquarters group as well as dedicated contractors with specialists who support various aspects of pipeline operations. Positions in this group that are critical to the operation of the LFP System include: DOT Safety Advisors, Land and Right-of-way Agents, Field Environmental Advisors, Engineers of various disciplines, Commercial Representatives, Public Affairs, Safety Advisors, and Legal Services. Sable has strong relationships with local and regional contractors that provide specialized support and construction expertise.

As demonstrated herein, Sable supports this asset with people that have applicable experience, training and capabilities necessary to operate the LFP System. Staffing levels are dictated by level of need through transition and restart and are consistent with staffing levels of the former operator. As also shown, the recruitment and hiring process has begun and will continue for all required positions to be filled with several new employees already onboarded.

An organizational chart is provided below for reference.

When LFP is transporting crude oil, it will be controlled and monitored 24 hours a day, 365 days per year from an Operations Control Center (“OCC”) located in existing office space in Santa Maria, California. Sable’s OCC will be a new, state-of-the-art control center designed to meet and exceed best available industry practices as well as the requirements of the PHMSA Consent Decree. The Sable OCC will have superior leak detection and Real Time Transient Modeling Computational Pipeline Monitoring (RTTM CPM) not in existence in the previous owner’s OCC located in Midland, Texas. RTTM CPM is recognized in the pipeline industry as an effective leak detection system in terms of sensitivity, accuracy, reliability, and robustness. The operational aspects of LFP make RTTM CPM a feasible Leak Detection System (LDS). RTTM CPM provides the greatest degree of protection of the LDS technologies available. Furthermore, it adheres to the conditions of the PHMSA Consent Decree covering the Las Flores Pipeline. The RTTM CPM will be configured with multiple balance periods from short (5 minutes) to long (>1 day) to limit the quantity of release over a range of potential release rates from small to large. RTM

CPM is used extensively in similar liquid pipeline applications around the world with multiple reputable applications available on the market to implement. RTTM CPM is compatible with the geographic conditions along the LFP System, particularly the elevation profile and maintains the ability to accurately model and maintain detection, even during abnormal operating conditions. RTTM CPM is compatible with SCADA, measurement, and communications technology in use on Las Flores Pipeline. RTTM CPM systems also maintain roughly equal performance from end to end of the pipeline regardless of operating pressure so long as the fluid in the line is kept in a liquid state, which is ensured by PPC operating procedures. RTTM CPM is available for use by PPC as it requires no discretionary permitting action to implement.

Installing RTTM CPM on LFP will limit the volume of a release by detecting the event and alerting PPC's OCC to initiate response, including pipeline shut down. By using multiple balancing periods, the system will respond appropriately to different release rates, alerting high-rate releases (rupture scenarios) very quickly with the capability to tie-in automatic commanded actions (e.g. automatic system shutdown) within the application, while still being sensitive enough to detect low-rate releases. The OCC will adhere to all federal cybersecurity and control room management procedures. The required Secondary Control Center will be located in Sable's Las Flores Canyon Santa Ynez Unit Control Room using existing infrastructure.

Training

Sable has well established training processes to support safe and environmentally sound pipeline operations. This training, including safety training, emergency response training, operations, and maintenance training, and regulatory/ environmental is all in place and detailed within the Safety Inspection, Maintenance and Quality Assurance Program ("SIMQAP"). Additionally, Sable and EMPCo conducted knowledge-transfer activities to ensure asset- specific and field knowledge was adequately transferred.

Safety Training

Employees are trained on safe work practices specific to pipeline operation, construction, and maintenance. This includes participation in comprehensive safety awareness and training programs, ranging from in-house sessions to off-site schools and seminars. Continued training is provided to all personnel as needed for their work assignments. Safety briefings and safety meetings are used to inform employees and contractors of general safety information and to provide instructions regarding new substances, equipment, or hazards introduced into the workplace.

Safety training is required for all new employees and whenever an employee changes job classifications and applicable refresher training is considered. Training will also be provided whenever new substances, processes, procedures, or equipment that may represent new hazards are introduced into the workplace. In addition, supervisors discuss special hazards prior to beginning non-routine jobs.

Operations and Maintenance Training

Sable's training program includes all aspects of on-site specific work, safety, technical information, regulatory compliance, environmental compliance, maintenance, and operations. Classroom instruction on theory and practical operation of the pipeline facilities, process safety and the hazards of the products present, fire prevention equipment, and preventive maintenance. On-the-job training within the pipeline facilities is conducted to familiarize each employee and contractor, as applicable, with the overall layout and operation of the system, critical equipment, and controls.

Regulatory/Environmental Training

Training is conducted to educate employees about applicable permit conditions and environmental regulations. The extent of training ranges from "awareness" level training to specific task-based training. For instance, all associates are given awareness training on the various permit conditions related to the facility, while specific training is given to associates on Emergency Response. For assets, such as the LFP that are subject to 49 CFR Part 195, we ensure compliance with Subpart G Section 195.501 to 195.509 through established training programs and Operator Qualification ("OQ") Programs.

Emergency Response Training

An ongoing training and exercise program is carried out for the LFP System. Exercises are performed to check the effectiveness of the training and to test the Integrated Contingency Plan ("ICP"), discussed in Section 4 of the SIMQAP. In addition to maintaining thorough familiarity with all aspects of the plan, the training and exercise program is intended to provide members of the response team with the knowledge, skills, and practical experience necessary to perform safe and effective response operations under the ICP. The Response Group ("TRG") assisted in the preparation of the ICP for the LFP for the previous owner as well as the Oil Spill Response plan for the Santa Ynez Unit and has extensive knowledge of the facilities and emergency response process. Sable has contracted TRG to assist in ensuring the ICP and related training is industry leading. Sable is implementing an industry leading Enhanced Spill Response procedures focused on timely initial response and equipped with key resources to deploy in early containment and consequence mitigation steps in the event of a potential release. In addition to general emergency response tactics, PPC's response will be specially focused on reducing discharge volume impact to water and represents a commitment of significant resources by PPC in initial response equipment maintained at the ready at LFP pump stations. Select PPC and Sable personnel will be trained and knowledgeable to operate all equipment and will conduct deployment exercises, both planned and unplanned. In addition, PPC will continue to make every effort to pursue the availability of Emergency Flow Restriction Devices (EFRDs) in Santa Barbara County, which both industry and OSFM recognize as Best Available Technology in the mitigation of worse case discharge volumes but which have been made unavailable due to local government restrictions.

Experienced, well-trained people are the building blocks for successful implementation of Emergency Response preparedness discussed in Section 4. Exercises are performed to check the effectiveness of the training and to test the plan. An ongoing training and exercise program will be carried out at the facility. In addition to maintaining maximum familiarity with all aspects of the plan, the training and exercise program is intended to provide members of the spill response team with the basic knowledge,

skills, and practical experience necessary to perform safe and effective spill response operations under this plan.

The LFP Incident Contingency Plan under the previous owner was last exercised on February 9, 2023 in coordination with representatives from the County, the California Department of Fish and Wildlife, Office of Spill Prevention and Response (“OSPR”), OSFM, PHMSA, and the Environmental Protection Agency (“EPA”). Exercise credit was approved by OSPR on July 1, 2023. The local Incident Management Team that performed that exercise has transferred from Exxon Mobil Corporation to employment with Sable and has extensive experience exercising response plans for both PPC as well as the Santa Ynez Unit assets.

Competency Management

Sable manages competency and training of personnel to ensure a qualified workforce with respect to operations and maintenance of pipeline facilities. The training structure focuses on the following objectives:

- **Defining Job Competencies and Requirements:** This includes base safety and compliance expectations as well as specific competencies related to skills, knowledge, experience, and capabilities that are unique to the nature of operation, job expectations, and specific risks.
 - **Developing Training:** Our training program leverages global job roles as a foundation to instill consistency while tailoring training programs to localized, supplemental, and other pertinent training modules and activities.
 - **Conducting training:** This includes tracking training status, establishing training schedules, and keeping programs evergreen through a continuous improvement process.
- Verifying and measuring competency:** We ensure the training objective is achieved and requirements are conformed with through training verification exercises and in-field checks.

Asset-Specific Knowledge Transfer

Site visits and meetings were held between EMPCo and Sable personnel to review various aspects of the LFP System. This included reviewing facility operational concepts and procedures, reviewing right-of-way easements and access roads, access points, and gate locations, discussion of operating, safety, health, and environmental protection procedures and knowledge, and discussion about pipeline history.

Summary

Extensive interface occurred with EMPCo leading up to and after the sale to ensure continuity of operations, maintenance, and inspection activities, transfer asset-specific knowledge. Sable adjusted, where necessary, its already well-established company programs, processes, and procedures to the pipeline. Sable is an established operator and has the training, skills, and knowledge to operate the LFP System in a safe and environmentally responsible manner, and consistent with applicable regulatory and permit requirements.

RECORD OF REVISIONS

Plan Revision	Date of Revision	Description of Revision
Original		Original, developed for acknowledgement of Permanent Operator under Ordinance 25B



The plans listed below have been received and reviewed by staff. Distribution varied based on applicability of each plan to particular staff member's responsibilities and operational status of plan. All plans have been approved by senior staff and leadership. See description of distribution for each plan. Emergency Response related plans were distributed to all staff and reviewed during safety meetings. Emergency procedures are further reviewed during each scheduled drill.

LFC and POPCO Fire Protection Plan – All staff

LFC POPCO Emergency Response Plan – All staff

LFC and POPCO Preservation Task List – Engineering and operations staff involved in management of this program

LFC-POPCO SIMQAP - Engineering and operations staff involved in management of this program

LFC Integrated Noise Monitoring Plan – Operations staff

Ground Water Management Plan – Personnel involved in managing this program

SYU Security Control Plan – Safety personnel involved in plant security

SYU Transition Plan – Leadership team

SBC Harbor Usage Plan – Staff involved in the scheduling and transport from SBC Harbor

Transportation Risk Management Prevention Plan - Personnel that will be involved in management of this program

NGL Inventory Management Plan – Personnel that will be involved in management of this program

Las Flores Pipeline Integrated Contingency Plan – All Incident Management Team and related staff.

PPC Noise Monitoring Plan – All manager and supervisors

PPC SIMQAP – All manager and supervisors

Las Flores Pipeline Station Fire Protection Plan - All manager and supervisors

PPC Noise Monitoring and Control Plan - All manager and supervisors

PPC Transition Plan – Leadership team



Approved

Steve Rusch

Steve Rusch,

VP- Environmental & Regulatory Affairs, Sable Offshore Corp.

Approved

Lance Yearwood

Lance Yearwood

VP, Pacific Pipeline Company

ATTACHMENT F – COMPLIANCE PLANS

Plans are available online at:

<https://cosantabarbara.box.com/s/wzk06i8dw18ow6f32xz1bznrf3v0teid>

ATTACHMENT G –CERTIFICATES OF INSURANCE



EVIDENCE OF PROPERTY INSURANCE

DATE (MM/DD/YYYY)

9/11/2024

THIS EVIDENCE OF PROPERTY INSURANCE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE ADDITIONAL INTEREST NAMED BELOW. THIS EVIDENCE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS EVIDENCE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE ADDITIONAL INTEREST.

AGENCY Insgroup, LLC 5151 San Felipe St, Ste 2400 Houston, TX 77056	PHONE (A/C, No, Ext): 713-541-7272	COMPANY Certain Underwriters at Lloyds	
License#: BR-1796913			
FAX (A/C, No):	E-MAIL ADDRESS:		
CODE:	SUB CODE:		
AGENCY CUSTOMER ID #:			
INSURED Sable Offshore Corp 845 Texas Avenue Suite 2920, 2930 Houston TX 77002	LOAN NUMBER	POLICY NUMBER B0507E12400096	
EFFECTIVE DATE 02/14/2024		EXPIRATION DATE 08/14/2025	☐ CONTINUED UNTIL TERMINATED IF CHECKED
THIS REPLACES PRIOR EVIDENCE DATED:			

PROPERTY INFORMATION

LOCATION/DESCRIPTION Locations: Onshore and Offshore Properties.
THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS EVIDENCE OF PROPERTY INSURANCE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

COVERAGE INFORMATION

PERILS INSURED ☐ BASIC ☐ BROAD ☒ SPECIAL ☐

COVERAGE / PERILS / FORMS

	AMOUNT OF INSURANCE	DEDUCTIBLE
Onshore Property	*see below	50,000,000
Offshore Property	*see below	50,000,000

REMARKS (Including Special Conditions)

Section 1 Offshore Agreed Values:
Heritage Platform: \$348,000,000
Harmony Platform: \$348,000,000
Hondo Platform: \$230,000,000
Pipeline/Flowlines/Cables: \$300,000,000

Section 2 Onshore Agreed Values:
Pipelines/flowlines/cables: \$330,000,000
See Attached...

CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

ADDITIONAL INTEREST

NAME AND ADDRESS Department of Fish and Wildlife Office of Spill Prevention and Response Attn: Ms. Caitlin Hichborn 1010 Riverside Parkway West Sacramento, CA 95605	ADDITIONAL INSURED ☐	LENDER'S LOSS PAYABLE ☐	LOSS PAYEE ☐
	MORTGAGEE ☐		
	LOAN #		
AUTHORIZED REPRESENTATIVE 			

AGENCY CUSTOMER ID: _____

LOC #: _____

**ADDITIONAL REMARKS SCHEDULE**Page 1 of 1

AGENCY Insgroup, LLC		NAMED INSURED Sable Offshore Corp 845 Texas Avenue Suite 2920, 2930 Houston TX 77002
POLICY NUMBER B0507EI2400096		
CARRIER Certain Underwriters at Lloyds	NAIC CODE	EFFECTIVE DATE: 02/14/2024

ADDITIONAL REMARKS**THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,****FORM NUMBER:** 27 **FORM TITLE:** EVIDENCE OF PROPERTY INSURANCE**REMARKS:**

Tanks: \$100,000,000

Oil/Gas Plants:

- Transportation Terminal \$42,000,000
- LPG Storage and Loading \$100,000,000
- POPCO Gas Plant \$200,000,000
- Gas Processing Plant \$200,000,000
- Oil Treating Plant \$200,000,000
- Co-Gen Power Plant \$80,000,000
- Biological Water Treating Plant \$40,000,000

On-site spares/equipment: \$5,000,000

Off-site spares/equipment (location:1000 23rd Ave. Port Hueneme, Hueneme, California 93042-0000): \$19,000,000

The Agreed Values as scheduled above are subject to a combined single limit of \$500,000,000 any one occurrence. Subject to "schedule of Additional Limits" as attached.



CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

10/17/2024

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an **ADDITIONAL INSURED**, the policy(ies) must have **ADDITIONAL INSURED** provisions or be endorsed. If **SUBROGATION** IS **WAIVED**, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER The Baldwin Group Southwest LLC 5151 San Felipe St, Ste 2400 Houston TX 77056	CONTACT NAME: Lainey Leno PHONE (A/C, No, Ext): 713-541-7272 FAX (A/C, No): E-MAIL ADDRESS: lainey.leno@insgroup.net														
License#: BR-1796913 SABLOFF-01	<table><tr><th>INSURER(S) AFFORDING COVERAGE</th><th>NAIC #</th></tr><tr><td>INSURER A : Certain Underwriters at Lloyds</td><td>15642</td></tr><tr><td>INSURER B : First Liberty Insurance Corpor</td><td>33588</td></tr><tr><td>INSURER C : Employers Assurance Company</td><td>25402</td></tr><tr><td>INSURER D : Lloyd's of London</td><td>15642</td></tr><tr><td>INSURER E :</td><td></td></tr><tr><td>INSURER F :</td><td></td></tr></table>	INSURER(S) AFFORDING COVERAGE	NAIC #	INSURER A : Certain Underwriters at Lloyds	15642	INSURER B : First Liberty Insurance Corpor	33588	INSURER C : Employers Assurance Company	25402	INSURER D : Lloyd's of London	15642	INSURER E :		INSURER F :	
INSURER(S) AFFORDING COVERAGE	NAIC #														
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INSURER E :															
INSURER F :															

COVERAGES**CERTIFICATE NUMBER:** 1319624620**REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS
A	☒ COMMERCIAL GENERAL LIABILITY ☐ CLAIMS-MADE ☒ OCCUR ☒ S&A Pollution GEN'L AGGREGATE LIMIT APPLIES PER: ☒ POLICY ☐ PRO-JECT ☐ LOC OTHER:		B0507EI2400084	2/14/2024	8/14/2025	EACH OCCURRENCE \$ 1,000,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000 MED EXP (Any one person) \$ 10,000 PERSONAL & ADV INJURY \$ 1,000,000 GENERAL AGGREGATE \$ 2,000,000 PRODUCTS - COMP/OP AGG \$ 2,000,000 \$
C	AUTOMOBILE LIABILITY ☒ ANY AUTO ☐ OWNED AUTOS ONLY ☐ SCHEDULED AUTOS ☒ HIRED AUTOS ONLY ☒ NON-OWNED AUTOS ONLY		AS6-641-446240-024	2/14/2024	2/14/2025	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$ \$
A A A	UMBRELLA LIAB ☐ OCCUR ☒ EXCESS LIAB ☐ CLAIMS-MADE DED ☒ RETENTION \$ 100,000		B0507EI2400088 B0507EI2400103 B0507QE12400315	2/14/2024 2/14/2024 10/1/2024	8/14/2025 8/14/2025 8/14/2025	EACH OCCURRENCE \$ 400,000,000 AGGREGATE \$ 400,000,000 \$
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? ☐ Y / N (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	N / A	WCC-641-446240-014	2/14/2024	2/14/2025	☒ PER STATUTE ☐ OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
D D	Energy Package- COW/Extra Expense OPA-90 Oil Spill FR		B0507EI2400096 B0507EI2400122	2/14/2024 2/14/2024	8/14/2025 2/14/2025	Limit Each Incident \$100,000,000 \$35,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)

For Information Purposes Only:
Excess Liability \$100MM : Certain Underwriters at Lloyd's
\$10M x Primary - B0507EI2400085
\$15M x \$10M - B0507EI2400086
\$25M x \$25M - B0507EI2400087
\$32.5M po \$50M xs \$50M - B0507EI2400088
\$17.5M po \$50M xs \$50M - B0507EI2400103
\$100M x \$100M / \$100M x \$200M / \$100M x 300M - B0507QE12400315
See Attached...

CERTIFICATE HOLDER**CANCELLATION**

For Information Purposes Only

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.

AUTHORIZED REPRESENTATIVE

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ADDITIONAL REMARKS SCHEDULE

Page 1 of 1

AGENCY The Baldwin Group Southwest LLC		NAMED INSURED Sable Offshore Corp Pacific Pipeline Company 845 Texas Avenue Suite 2920, 2930 Houston TX 77002	
POLICY NUMBER			
CARRIER	NAIC CODE	EFFECTIVE DATE:	

ADDITIONAL REMARKS

THIS ADDITIONAL REMARKS FORM IS A SCHEDULE TO ACORD FORM,
FORM NUMBER: 25 **FORM TITLE:** CERTIFICATE OF LIABILITY INSURANCE

All Excess Liability policies referenced above includes Seepage and Pollution from Operators Extra Expense in the underlying schedule of insurance.

General Liability, Auto Liability, and Excess policies include a blanket automatic additional insured endorsement that provides additional insured status to the certificate holder when there is a written contract between the named insured and the certificate holder that require such status.

All policies include a blanket automatic Waiver of Subrogation endorsement that provides this feature as required by written contract between the named insured and the certificate holder.

***Energy Package- COW/Extra Expense:**

Seepage and Pollution from Operators Extra Expense Limit for all wells \$100,000,000. Coverage may be eroded by other interests not covered hereunder but covered under the Operators Extra Expenses Section of the Insured's Package Policy No. B0507EI2400096 which is subject to a Maximum Limit USD 100,000,000 (100%) for all wells.

****OPA-90 Oil Spill Financial Responsibility:**

Liability under Section 1002 of the Act for a discharge of oil as defined in Section 1001(23) of the Act, or the substantial threat of a discharge of oil, into or upon the navigable waters or adjoining shorelines or the exclusive economic zone of the United States of America for the following specified removal costs or damages:

Removal Costs:

(a) removal costs incurred by the United States of America, a State, or an Indian tribe under subsection (c), (d), (e), or (f) of Section 311 of the Federal Water Pollution Control Act (the "FWPCA") (33 U.S.C. § 1321), as amended by this Act, under the Intervention on the High Seas Act (33 U.S.C. § 1471 et seq.) (the "IHSA"), or under State law, insofar as such removal costs are recoverable under the Act; and removal costs incurred by any person for acts taken by the person which are consistent with the National Contingency Plan (as defined in Section 1001(19) of the Act);

ATTACHMENT H –CERTIFICATES OF FINANICAL RESPONSIBLITLY



CALIFORNIA CERTIFICATE OF FINANCIAL RESPONSIBILITY (CA COFR)

OWNER OR OPERATOR:

SABLE OFFSHORE CORP.

meets the financial responsibility requirements set forth in the Government Code Sections 8670.37.53 as it applies to the operation of

NAME:

RWCS:

654.00 Bbl(s)

CRUDE OIL & WATER EMULSION PIPELINE - PORTION IN STATE WATERS FROM

LOCATION:

FEDERAL SANTA YNEZ UNIT TO LAS FLORES CANYON FACILITY. SEG.# 5510190

CERTIFICATE: 2-2623-00-001

CONTROL #:

FI663

ISSUED DATE: October 03, 2024

EXPIRATION DATE: August 31, 2026

The holder of this document named above is subject to the provisions of California Code of Regulations, Title 14, Sections 791-797, implementing the financial responsibility requirements set forth in the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act (Act). This certificate holder has provided the necessary evidence of financial responsibility mandated by these requirements.

For the purpose of determining liability pursuant to the Act, this Certificate of Financial Responsibility is conclusive evidence that the person or entity holding the certificate is the party responsible for the specific Marine Facility.

No alterations of this certificate are permitted after issuance by the Administrator of OSPR. If there is a change in the name or ownership of the Marine Facility, the certificate holder must notify the Office of Spill Prevention and Response (OSPR) immediately. If the certificate expires, a new certificate will be required.

This certificate remains valid as long as the current method for demonstrating financial responsibility is maintained (eg. insurance). Any changes in this status must be reported to OSPR immediately.

It is the owner or operator's responsibility to ensure that this certificate number is also included in the owner or operator's marine oil spill contingency plan, which must be submitted to this office for approval, before operating in a location where a spill could impact California marine waters.

If you have any questions, please contact me.

Sincerely,

Caitlin Hichborn

Financial Analyst

(916) 375-6071

Office of Spill Prevention and Response

cacofr-facilities@wildlife.ca.gov





CALIFORNIA CERTIFICATE OF FINANCIAL RESPONSIBILITY (CA COFR)

OWNER OR OPERATOR:

PACIFIC PIPELINE COMPANY

meets the financial responsibility requirements set forth in the Government Code Sections 8670.37.53 as it applies to the operation of

NAME:

RWCS:

1935.00 Bbl(s)

24" CA-324- Las Flores Pipeline (Las Flores Canyon to Gaviota)

LOCATION:

CERTIFICATE: 2-2624-00-001

CONTROL #:

FI661

ISSUED DATE: October 03, 2024

EXPIRATION DATE: August 31, 2026

The holder of this document named above is subject to the provisions of California Code of Regulations, Title 14, Sections 791-797, implementing the financial responsibility requirements set forth in the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act (Act). This certificate holder has provided the necessary evidence of financial responsibility mandated by these requirements.

For the purpose of determining liability pursuant to the Act, this Certificate of Financial Responsibility is conclusive evidence that the person or entity holding the certificate is the party responsible for the specific Marine Facility.

No alterations of this certificate are permitted after issuance by the Administrator of OSPR. If there is a change in the name or ownership of the Marine Facility, the certificate holder must notify the Office of Spill Prevention and Response (OSPR) immediately. If the certificate expires, a new certificate will be required.

This certificate remains valid as long as the current method for demonstrating financial responsibility is maintained (eg. insurance). Any changes in this status must be reported to OSPR immediately.

It is the owner or operator's responsibility to ensure that this certificate number is also included in the owner or operator's marine oil spill contingency plan, which must be submitted to this office for approval, before operating in a location where a spill could impact California marine waters.

If you have any questions, please contact me.

Sincerely,

Caitlin Hichborn

Financial Analyst

(916) 375-6071

Office of Spill Prevention and Response

cacofr-facilities@wildlife.ca.gov





CALIFORNIA CERTIFICATE OF FINANCIAL RESPONSIBILITY (CA COFR)

OWNER OR OPERATOR:

PACIFIC PIPELINE COMPANY

meets the financial responsibility requirements set forth in California Government Code Section 8670.37.53 as it applies to the operation of

NAME:

Las Flores Pipeline System

RISK TYPE: Perennial

LOCATION:

CA-325A/B- Las Flores Pipeline, Gaviota to Pentland

RWCS: 15269.00 Bbl(s)

CERTIFICATE: 4-2624-00-001

CONTROL #: FI662

ISSUED DATE: October 03, 2024

EXPIRATION DATE: August 31, 2026

The holder of this document named above is subject to the provisions of California Code of Regulations, Title 14, Sections 791-797, implementing the financial responsibility requirements set forth in the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act (Act). This certificate holder has provided the necessary evidence of financial responsibility mandated by these requirements.

For the purpose of determining liability pursuant to the Act, this Certificate of Financial Responsibility is conclusive evidence that the person or entity holding the certificate is the party responsible for the specific Facility.

No alterations of this certificate are permitted after issuance by the Administrator of OSPR. If there is a change in the name or ownership of the Facility, the certificate holder must notify the Office of Spill Prevention and Response (OSPR) immediately. If the certificate expires, a new certificate will be required.

This certificate remains valid as long as the current method for demonstrating financial responsibility is maintained (eg. insurance). Any changes in this status must be reported to OSPR immediately.

It is the owner or operator's responsibility to ensure that this certificate number is also included in the owner or operator's oil spill contingency plan, which must be submitted to OSPR office for approval, before operating in a location where a spill could impact California waters of the state.

If you have any questions, please contact me.

Sincerely,

Caitlin Hitchborn

Financial Analyst
Office of Spill Prevention and Response

(916) 375-6071

cacofr-facilities@wildlife.ca.gov



Attachment D

Planning Commission Public Comment Letters. Available online at:

<https://cosantabarbara.app.box.com/s/q97rv82305oyfnbdjhcyxrrdhu3dgkqy/folder/290632492578>

Attachment E

Facilitation Report_2024.12.17



COUNTY COUNSEL MEMORANDUM

RACHEL VAN MULLEM
COUNTY COUNSEL
805-568-2950

DATE: December 17, 2024

TO: Each Member of the Board of Supervisors
Mona Miyasato, County Executive Officer

FROM: Callie Kim, Deputy County Counsel

RE: Facilitation Report—Appeals of Change of Owner, Operator, and Guarantor for the SY Unit, POPCO Gas Plant, and Las Flores Pipeline System Final Development Plan Permits

In accordance with Resolution Number 95-462, the Office of County Counsel offered facilitation of the appeals filed by the Center for Biological Diversity and Environmental Defense Center, Get Oil Out, and Santa Barbara County Action Network regarding the Change of Owner, Operator, and Guarantor for the SY Unit, POPCO Gas Plant, and Las Flores Pipeline System Final Development Plan Permits. The parties did not mutually agree to participate in the County's facilitation; therefore, no County-led facilitation occurred.

This appeal is now scheduled to be heard by your Board.

Please contact me or Chief Assistant Amber Holderness with any questions.

Copy: Planning & Development