



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

#5

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

Department Name: CEO
Department No.: 012
For Agenda Of: 1/15/08
Placement:
Estimated Tme: 2 Hours
Continued Item: No
If Yes, date from:
Vote Required: None

TO: Board of Supervisors

FROM: Department Michael F. Brown, County Executive Officer
Director(s) *
Contact Info: Ron Cortez, Deputy CEO, 568-2243

SUBJECT: Greka Energy Oil Facilities Update

Recommended Actions:

Recommended actions include:

- 1) That the Board of Supervisors on January 15, 2008 receive a staff report on Greka Energy Facilities; and, receive an update on the current petroleum crude release at Greka Energy's Facilities; (2 hrs)
- 2) Consider and provide direction on staff's five recommendations concerning potential new ordinances and staff practices.
- 3) Direct the CEO's Office to take all actions necessary in order to timely implement such recommendations approved by the Board of Supervisors.

Summary Text: Background: During the December 11th, 2007 Board of Supervisors Hearing, the Board directed staff to prepare a report on Greka Energy Facilities. This request was prompted by the December 7, 2007 crude release spill at Greka Energy's Bell Facility on Palmer Road approximately 75,000 gallons. Accordingly, the attached report provides general information regarding Greka Energy's compliance record, specific details regarding the December 7th, crude oil and produced water as well as staff recommendations discussing potential options to improve the County's regulatory framework for enforcement of on-shore oil production.

On January 5th, there was an additional crude oil and produced water release from the Greka Energy – Davis Tank Battery facility located at 5017 Zaca Station Road. This spill is estimated to be approximately two thousand barrels, equal to 84,000 gallons.

Preparation of Staff Report: In compiling the attached report, County staff contacted all relevant Regulatory Agencies of on-shore oil facilities and twice met with the following agencies in Santa

Barbara to coordinate and share relevant data concerning Greka Energy operations: the Federal Environmental Protection Agency, California Division of Oil and Gas, California Department of Fish and Game, Santa Barbara County Air Pollution Control District, County of Santa Barbara Fire Department, County of Santa Barbara Planning and Development - Petroleum Unit, and County Counsel's Office. Each agency has different oversight responsibilities for on-shore oil production.

Many of these agencies provided us with additional information pertaining to Greka Energy's prior violation history. Each of these agencies will be represented at the Board of Supervisors' hearing and will be prepared to answer questions on both the December 7th, 2007 and the January 5th releases.

Prior History and County Legislative Response: The County had compiled a significant record of violations by Greka Energy in the past. In response and in view of the public safety issues involved, staff previously brought forth recommendations for improvement to the Petroleum Code and the Fire Code for Board within the last year.

Early in 2007, the Petroleum Unit of the Planning and Development Department initiated a review of the Santa Barbara County Code, Chapter 25 (Petroleum Code) in order to strengthen the provisions of the code to improve public health and safety. Subsequently, the Board of Supervisors approved the recommended changes on July 3, 2007, with an effective date of September 3, 2007.

The major revisions to Chapter 25 included Board approval of State of California adopted standards for inspection and testing of new and existing tanks, piping, pressure vessels and all other equipment associated with the production, storage and transportation of petroleum. Other revisions included new administrative procedures for permits, access to public records and an appeal process for decisions by the petroleum administrator. These amendments were designed to ensure maximum uniformity and compatibility with local conditions and consistency with public safety.

There is an existing County Code Chapter (25B) that regulates changes of owners and operators of petroleum facilities related to offshore production. This Chapter does not currently cover onshore petroleum production.

In addition, due to increase in the volume and complexity of issues concerning alternate means of protection and Fire Code interpretation, the Board of Supervisors adopted changes to the California Fire Code as adopted in Chapter 15 of the Santa Barbara County Code on February 27, 2007. This action established an appeals board (CFC Sec.103.1.4) to determine the suitability of alternate means of protection and to provide for reasonable interpretations of the provisions of the Fire Code. Adding this language and appointing a board of appeals was designed to provide a formal and decisive means of addressing Fire Code issues and promote public safety, health and welfare.

Alternative Actions for Minimizing and/or Deterring Future Violations: Due to the sheer number of continuing violations and unsafe conditions created thereby, the Board of Supervisors during the December 11th hearing inquired as to the possibility of shutting down Greka Energy Operations as a public nuisance. County Counsel's research on this issue is summarized in the bullet points below as follows:

- A public nuisance is one which affects at the same time an entire community or neighborhood, or any considerable number of persons, although the extent of the annoyance or damage inflicted upon individuals may be unequal. (California Civil Code § 3480.)

- A public nuisance may be abated by any public body or officer authorized to do so by law. (California Civil Code § 3494.) County Code Section 25-14 authorizes County Counsel to take civil action and/or the District Attorney to take criminal action to obtain compliance with orders of the County Petroleum Administrator.
- A civil action to abate a public nuisance may be brought by the District Attorney. (California Code of Civil Procedure § 731.)
- Where some or all of the acts subject of complaints are authorized by a permit, courts analyze the statutory immunity provisions of California Civil Code § 3482, which states that nothing done or maintained under the express authority of a statute can be deemed a nuisance.
- In considering whether to use its equitable power to abate an alleged public nuisance, a court considers the usual requisites for equitable relief: the prospect of "great and irreparable injury" and the absence of "a plain, adequate and speedy remedy at law." (*People ex rel. Gallo v. Acuna* (1997) 14 Cal.4th 1090, 1101-1102).

County Counsel’s representative will be available to answer more specific questions.

Due to the recent spills involving Greka Energy, staff has once again reevaluated the situation and is bringing forth additional recommendations in order to strengthen the deterrent force of existing regulations against future repeated violations of these regulations. The recommendations are presented in the attached Report for Board consideration.

Fiscal and Facilities Impacts:

Budgeted: No

Fiscal Analysis:

Narrative:

Staffing Impacts:

Legal Positions:

FTEs:

Attachments:

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cc:

GREKA ENERGY OIL FACILITIES UPDATE

January 15, 2008

GREKA ENERGY OIL FACILITIES UPDATE

Table of Contents

- I. General Information – Greka Energy Facilities
 - II. Oilfield Releases
 - III. December 7th Crude Oil Incident – Bell Facility
 - 1. Local Agencies
 - 2. State Agencies’ Responses
 - 3. Federal Agencies’ Responses
 - IV. Staff Recommendations for the Board’s Consideration
-
- Appendix A:** Greka Energy Compliance History by Agency
 - Appendix B:** Regulatory Agencies Overseeing On-Shore Oil Facilities

I. General Information Regarding GREKA Energy Facilities

Greka Energy is Santa Barbara County’s largest on-shore oil company. According to Fire Department and Planning and Development, Petroleum Unit, Greka Energy operates approximately 77 on-shore production, processing and transportation facilities in Santa Barbara County within five oil fields:

Oil Field #1	Casmalia (7 leases)
Oil Field #2	Cat Canyon (approximately 30 leases)
Oil Field #3	Zaca (9 leases)
Oil Field #4	Santa Maria Valley (approximately 31 leases)

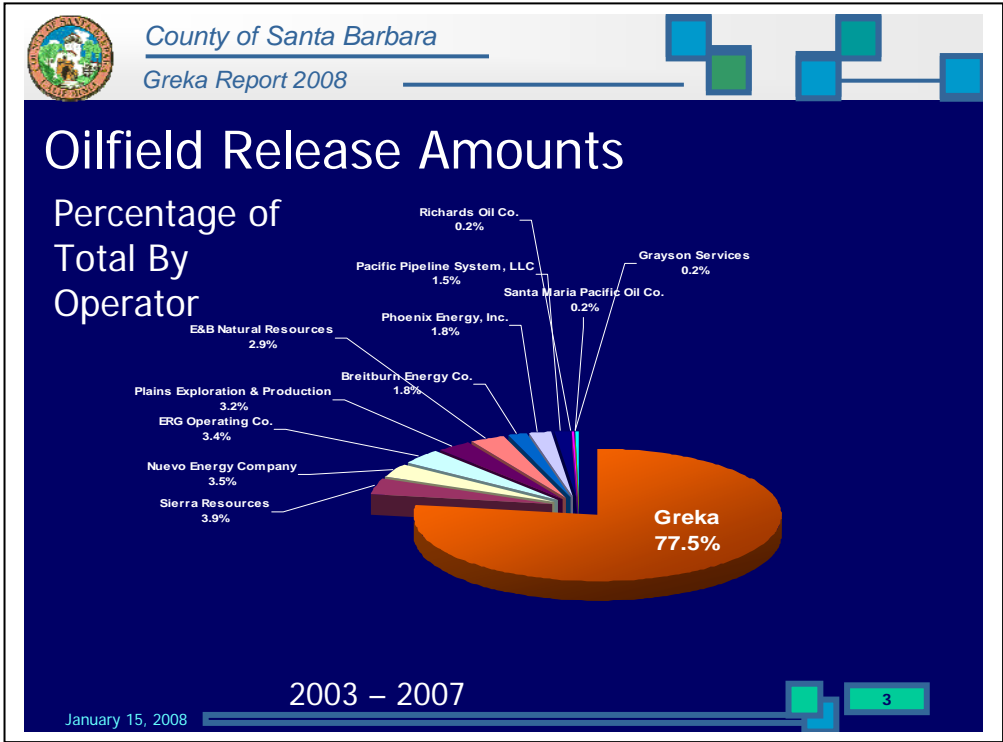
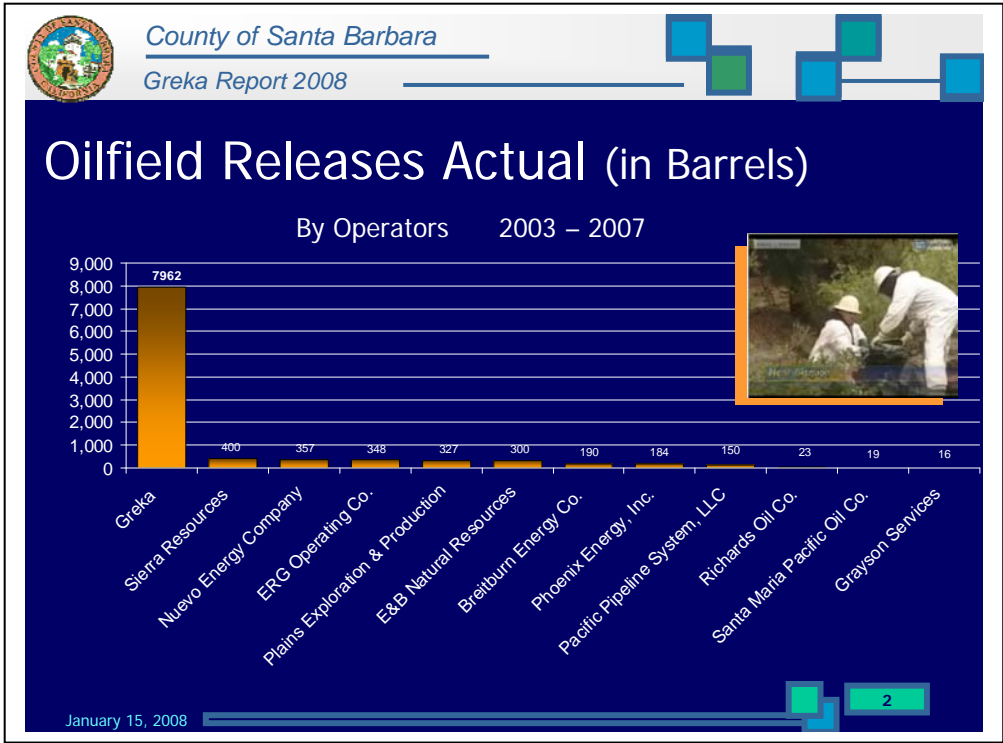
Within the 77 leases, Greka Energy has 939 wells in Santa Barbara County with 685 idle and 254 active.

Greka Energy also owns Santa Maria Asphalt Refinery which produces asphalt, distillates and naphtha.

II. Oilfield Releases

Greka Energy is responsible for the largest segment of oilfield releases in the County. In fact, they are responsible for more oilfield releases than all of the other companies combined. We will develop further information regarding Greka Energy’s compliance history and will provide it to the Board of Supervisors on the day of the hearing. However, as is evident from the following charts, the number and extent of these incidents present significant issues that need to be addressed.





III. Discussion of the December 7th, Crude Oil Incident

Greka Energy Bell Facility

On December 7th, 2007, Greka Energy at the Bell Facility on Palmer Road in Santa Barbara County, California (Blockman and Bell Leases) had an estimated 75,000 gallon spill northwest of Los Alamos in Northern Santa Barbara County with the County of Santa Barbara Fire Department, the US Environmental Protection Agency, and the California Department of Fish and Game responding.

1. **LOCAL AGENCIES RESPONSES TO THE INCIDENT:**

County Fire Department: Under their current statutory authority, the County of Santa Barbara Fire Department issued a stop work order **shutting down** this facility until they can come to full compliance. The County Fire Department is requiring a third party inspection of the facility. On December 7, the day of the release, County Fire did an initial inspection of the Bell facility and issued Greka Energy a 'Notice to Comply' identifying 26 correction items. On December 27, when the facility was more accessible, County Fire did a more thorough inspection and issued Greka a 'Notice to Comply' identifying an additional 24 correction items.

Planning and Development, Petroleum Unit:

On December 7, 2007, the Petroleum Unit responded to notification from the County Fire Department of release of approximately 75,000 gallons of crude oil and produced water from the Blochman/Bell lease at approximately 9:50 AM. Upon evaluation of the oil spill, the Petroleum Unit issued a shut in notification to Greka Energy with eight correction items to be complied with within 10 days. The correction items include a failure analysis report of the root cause leading to the release of oil, a work plan which includes complete removal of all fluids from soil to pre-spill conditions, and a work plan outlining repairs to all equipment associated with oil release. Corrections also include retesting of the alarm system upon completion of repairs and replacement of said equipment. All environmental clean up work shall be in compliance with the Regional Water Quality Control Board requirements. As of the date of preparation of this report, Greka Energy was not in compliance with any of these corrective action requirements.

Air Pollution Control District: APCD inspected Greka Energy's Blochman and Bell Leases on December 11, 2007. On December 12, 2007, the APCD issued two Notices of Violation to Greka Energy for observed air pollution violations associated with the December 7 spill. Notice of Violation (NOV) #9025 was issued to Greka Energy for two violations of APCD Rule 344, observed at the Blochman Lease "Lower Pond" sump and at the Bell Lease "Upper Pond" sump. This NOV documents Greka Energy's failure to maintain the impermeable flexible floating covers installed on each sump in a manner that completely covers the sumps' liquid contents. Additionally, NOV #9026 documents Greka Energy's violation of APCD Rule 201 by failing to obtain permit approval (or demonstrate a valid exemption) prior to installing four portable tanks being used to collect and store the crude oil and produced water released during the December 7 spill.

2. STATE AGENCIES RESPONSES TO THE INCIDENT:

California Department of Fish and Game:

The Department of Fish and Game (DFG) has both pollution response authority within waters of the state and public trustee authority for wildlife and habitat. DFG's primary functions on this response were three fold. The first was to direct the clean-up efforts to ensure efficient and adequate clean-up of the spilled material while mitigating any clean-up impacts to the environment, as possible. The second was to investigate the cause of the spill. This information will be used in the filing of any civil or criminal case that DFG determines is appropriate. And the last was to assess the injuries to the environment and produce an environmental injury report. This report includes a natural resources damage assessment or NRDA (see below).

DFG responded to the December 7th, Greka Energy Bell Facility Release, on the day of the incident. A total of 8 DFG employees were physically involved in the response and many more were involved behind the scenes. Two wardens and one environmental scientist served as State On-scene Coordinator at differing times throughout the spill. Other duties performed were managing and ensuring legal compliance with hazardous materials waste streams, directing clean-up crews, quantifying amount of oil released, gathering environmental data, coordinating with local, state, and federal agencies, and providing for public health and safety. DFG employees were present at the spill site until completion of active, in-stream clean-up on December 20th. DFG continues to work to ensure that monitoring and maintenance of in-stream, passive clean-up techniques (sorbent booms, oil snare, etc.) are in place until they are deemed by DFG to be of no further benefit.

The goal of DFG's NRDA program is to examine the natural resource injuries from oil spills, toxic waste sites, and other pollution events, to quantify the damages, to seek compensation from the responsible parties, and to both restore the injured resources and compensate the public for the lost interim ecological benefits and uses of these resources. The timeline for this action can vary greatly with the size and amount of injury. For a spill the size of the December 7th, 2007 Greka Energy Bell Facility spill, a standard timeframe for completion of the final NRDA is two to six months.

Department of Conservation, Division of Oil, Gas and Geothermal Resources (DOGGR):

DOGGR received a call about an oil spill off Palmer Road on December 7, 2007. An engineer from this office responded to the location. Upon arrival he determined that DFG and Santa Barbara County Fire had taken the lead on the clean-up and were taking appropriate action. The policy is that whenever the County, Department of Fish and Game or the EPA have taken charge, the DOGGR steps back to a supporting role. Nevertheless, DOGGR field staff returned multiple times (five or six times) to check the progress. DOGGR has issued a provisional order imposing the maximum sanction of \$5,000 against Greka Energy for this spill.

3. FEDERAL AGENCIES RESPONSES TO THE INCIDENT:

Environmental Protection Agency: The EPA's initial response to the spill included sending a S.T.A.R.T (Emergency Response Contractor) to the incident to oversee initial containment and cleanup was being handled by Greka Energy (the Responsible Party) and to determine if the responding agencies needed federal assistance. No federal assistance was called for, so the S.T.A.R.T contractor left the site.

On December 18th, 2007, heavy rains were forecast for the region and Pete Reich, U.S. EPA Region 9 Oil Program Inspector was dispatched to the site to conduct an investigation of the spill and attempt to document the spill and discharges to a Navigable Water or an adjoining shoreline. Mr. Reich also conducted a targeted inspection of the spill site and associated Bell Facility pursuant to the Oil Spill Prevention, Control, and Countermeasures (SPCC) Regulations found at Title 40, Code of Federal Regulations Part 112.

During his investigation, the spill appeared to be ongoing and was observed flowing down slope from the pit pump house area to the unnamed creek, likely as a result of the heavy rains. The unnamed creek was flowing rather heavily suggesting that this indeed is navigable water or an adjoining shoreline to navigable water. Mr. Reich is working with U.S. EPA Region 9 Office of Regional Council on establishing a case that the discharge did impact navigable waters thereby negatively impacting applicable water quality standards and establishing the basis for financial penalties. Additionally, several issues of non-compliance were documented as a result of the SPCC inspection. For example, the EPA discovered problems with the SPCC Plan, inadequate inspections, testing and recording keeping, inadequate spill prevention and response training for oil handling employees, inadequate general and specific secondary containment, and a history of non-compliance on behalf of Greka Energy.

Attachment A

Staff Recommendations for the Board's Consideration

The following recommendations are strictly within the purview of the County of Santa Barbara. State and Federal agencies are currently reviewing opportunities to strengthen existing safeguards as well.

Although staff is providing recommendations for improvement, it should be noted that staff has made the safe operation of on-shore oil facilities a higher priority, including but not limited to the through fuller use of County's existing regulatory authority.

Recommendation 1. Develop a Multiple Response Ordinance:

Challenge:

Each time the County of Santa Barbara Fire Department responds to an onshore oil petroleum facility there is a cost to county tax payers. Therefore, it is clear that when an onshore oil facility fails to make improvements or upgrades to its facilities thereby causing extraordinary responses from the County Fire Department and Petroleum Unit they should be charged for the excess service.

According to the County Fire Department, they have responded to Greka Energy facilities approximately 400 times since 1999. The minimum response to a 911 reported spill is one Type 2 Fire Engine with 3 personnel and a Hazardous Materials Specialist. The cost per hour for these resources is approximately \$450.00.

Using the 400 responses figure multiplied by the \$450.00 per hour costs, a total cost estimate to the Fire Department would be \$180,000.00. This figure accounts for one hour of response time only. It does not consider time for an engine company remaining 'on scene' in excess of an hour or for the response of any additional engine companies, nor does it consider compliance follow-up inspections, clean-up oversight time, research hours, associated meetings, management oversight costs, etc., which all result from the release. (A recent Greka Energy appeal required several days of Fire staff, Fire management and County Counsel time, not to mention \$15,000+/- in expenses.) As a result the above figure of \$180,000 can reasonably be increased five to ten fold.

Recommendation:

Therefore, staff is recommending developing a multiple response ordinance. The intent of such an ordinance would be to reimburse the County for the significant costs associated with responding to multiple emergency incidents, at poorly maintained onshore petroleum facilities operated by the same petroleum operator. Both the County Fire Department and Petroleum Unit support this concept. The following is a general outline of a potential ordinance:

1. If there are three (this number is open for discussion) emergency responses and/or reportable releases, at a petroleum operator's facility or facilities, within a 12 month period, then the petroleum operator would be obligated to reimburse the County for the costs associated with subsequent responses and/or releases. The term "emergency response" would exclude a response that is solely for a medical emergency.

2. The obligation to reimburse the County's response costs would cease after the petroleum operator is able to operate for a 12 month period, without any emergency responses and/or reportable releases at any of its facilities.
3. Emergency response costs associated with the ordinance would be set by resolution. For instance, an hourly rate would be set for a fire engine company, a hazmat unit, a petroleum inspector, a sheriff unit, etc.
4. If an incident requires an extended County response, then the petroleum operator would be obligated to pay for all costs until the incident is resolved. For instance, a release of crude may require several days to mitigate, the County's costs associated with such a multi-day response, would be the obligation of the petroleum operator.
5. The term petroleum operator would be broadly defined to include any parent or subsidiary companies owned or operated by a petroleum operator. The ordinance would further clarify the responsible parties (both owner and operator) for onshore petroleum facilities.
6. The County would bill the petroleum operator for the associated response costs. The petroleum operator would have 30 days to pay the bill in full. Each day beyond the due date that a bill is not paid, would be considered a separate violation of the ordinance and subject the petroleum operator to additional civil and criminal penalties.
7. The County could potentially shut down operations at the site until payment is received.

Recommendation 2. Develop a High Risk Offender Ordinance:

Challenge:

After examining the data, it is also clear that there are certain firms that adhere to the regulations and those that continually violate them. Therefore, in order to have the flexibility to deal with continuous violators without unduly causing harm to those that abide within the regulatory framework. We need a high risk offender category that would provide for this differentiation.

Recommendation:

Direct staff to develop a high risk offender ordinance. Such an ordinance would subject an onshore oil petroleum operator to increased regulatory oversight, increased reporting obligations and increased fines and penalties, if an operator prospectively incurs a set number of County regulatory violations within a fixed period of time. The goal of the increased oversight, reporting obligations and fiscal fines/penalties would be to encourage an operator to improve the maintenance and day to day operation of its facilities. In addition, we recommend adding the following provisions in the high risk offender ordinance:

1. Draft ordinance revisions to Chapter 25 that extend change of operator requirements contained within Chapter 25B for off shore and downstream facilities to onshore oil-field operations. This option would give the County authority to scrutinize proposed new operators before operating a permit to operate.

2. Direct staff to research the development of prospective financial assurance rules to ensure financial wherewithal to remove oil operations and reclaim sites upon cessation of operations.
3. Direct staff to develop a committee composed of the pertinent Federal, State, and local agency regulators to coordinate and share information regarding prevention, inspections, violation history, compliance issues and remedies. This would provide County with better communications with the Federal Environmental Protection Agency, including better input into EPA's potential federal enforcement actions under the Clean Water Act:
 - Civil actions, including injunctions (33 U.S.C. § 1319(b));
 - Criminal penalties, including fines and imprisonment (33 U.S.C. § 1321(c)); &
 - Administrative penalties (33 U.S.C. § 1319(g)).

These aforementioned conditions would only apply to the high risk offender operators.

Recommendation 3. Develop a Centralized Data Base to Compile Violation History.

Challenge:

During our preparation for this report, it became evident that pertinent regulatory agencies responsible for onshore oil keep their violation history in different databases. This lack of coordination hinders coordination of inspections, sharing violation history, and preparing coordinated plans for remedying violations.

Recommendation:

1. Staff recommends the development of a centralized database.

Recommendation 4. Increase Inspection and Permitting Fees for those Facilities Requiring Extraordinary Time for Inspection.

Challenge:

Fire Code Permits are issued after a facility is inspected and found to be in compliance with the Fire Code. The permits are in effect for one year, although the Fire Department has the authority to specify any time period. There are 18 Greka Energy facilities that require Fire Code permits, of which three have current permits. The lack of a permit, however, does not relieve Greka Energy from the responsibility of maintaining their facilities. Compliance with all applicable laws, regulations and industry standards is ultimately the express responsibility of the oil facility operators.

County Fire has had a plan in place for over three years to perform the inspections necessary to issue current permits to the Greka Energy facilities. Fire has been unable to implement the majority of their inspection plan due to several factors. Fire has one dedicated FTE to deal with ALL oilfield inspections. Under normal conditions, it would be difficult for this individual to keep pace with inspections of all facilities. Due to the ongoing problems at Greka Energy facilities over the years, this individual works almost exclusively on Greka Energy facilities.

With Greka Energy's current history of compliance and the limited Fire Department resources available, the estimated time to complete outstanding inspections and permit is significant. With this adoption of this recommendation, staff will be able to expedite these most important inspections.

Recommendation:

In order to expedite completion of facility inspections, staff is recommending the following:

1. Direct staff to revise the fee ordinances further clarifying the flexibility for the Fire Department and Petroleum Unit to hire outside, third party contractors to perform permit facility inspections paid for by the operator. This provision would only apply to facilities requiring extraordinary attention.
2. Assess the necessary staffing levels in the Fire Department and Building and Safety Petroleum Unit to ensure proper enforcement of existing statutes and codes.

Recommendation 5. Operational Efficiency Recommendations.

1. Direct staff to report on progress in dealing with Greka Energy every 90 days until significant progress is attained.
2. Direct staff to work collaboratively with other regulatory agencies to address violations and public health and safety issues with on-shore oil facilities.
3. Direct staff to utilize the existing Fire Code and Petroleum Code to the maximum extent possible in order to achieve compliance.
4. Direct the CEO's Office to consider merging appropriate staff from the Petroleum Unit of the Building and Safety Division and the Fire Prevention Division of the Fire Department in order to improve efficiencies and effectiveness of on-site inspections.

APPENDIX A

Greka Energy Compliance History by Agency – 400 releases since 1999.

Agency	# Permits 1999 - 2007	Status	# Inspections 1999 - 2007	# Notices of Violation, Violations, and Corrective Actions 1999 - 2007	# Releases 1999 - 2007	# Responses 1999 - 2007	\$ Penalties 1999 - 2007
EPA	SPCC Plans	Inadequate	10	36	N/A	10	Est. \$1,300,000
Division of Oil and Gas	135	Current	1,117*	39	N/A	146	\$7,750**
Department of Fish and Game	N/A	N/A	N/A	7 cases with numerous violations each case	N/A	20	Unavailable
APCD	67	Current	855	298	N/A	855	\$545,691
P&D, Petroleum Unit	N/A	N/A	500	150	N/A	300	N/A
Fire Department	18	15 Expired, 3 Current	40	95	400	400	\$199,366

* Active Wells Only

**2007

Appendix B

Regulatory Agencies Overseeing On-Shore Oil Facilities

The County of Santa Barbara Fire Department:

The County Fire Department initiates responses to oil facilities from 911 calls, citizen complaints, property owners' complaints, inspections and on-site visits, industry requests, and Community Awareness and Emergency Response (CAER) report responses.

The nature of these responses includes, but is not limited to, odor complaints, unauthorized release of oil or gas, fires, etc. County Fire also issues California Fire Code permits for oil field operations.

The 2001 California Fire Code as adopted in Chapter 15 of the Santa Barbara County Code provides County Fire with regulatory authority over petroleum production operations. The Fire Code prescribes regulations for safeguarding life and property from hazards of fire explosion, and dangerous conditions arising from the storage, handling and use of flammable and combustible liquids, and hazardous materials, which includes crude petroleum and natural gas (Article 79 – Flammable and Combustible Liquids; and Article 80 – Hazardous Materials).

County Fire has the authority to issue corrective orders, when a petroleum facility is not operating in compliance with the Fire Code. If conditions warrant, a corrective order may include a stop work order, requiring the shutdown of the operation until the violation is cured. County Fire also has the authority to issue criminal citations for Fire Code violations. The criminal citations are infractions; however, the District Attorney has the discretion to file a matter as a misdemeanor, if a defendant has been convicted of two or more Fire Code violations within the previous 12 months.

Petroleum production/storage facilities require County Fire permits. Permits are issued after a facility is inspected and found to be operating in compliance with the Fire Code.

If necessary, an inspection warrant is obtained whenever an owner or occupant denies entry or fails to schedule an appointment after two attempts. All inspections are coordinated with County Planning and Development, Building and Safety Division, Petroleum Unit whenever possible.

County Fire may require an operator to provide a technical opinion or report, without charge to the jurisdiction, analyzing the fire-safety properties of a facility's operation and making recommendations of any necessary changes. The opinion/report shall be prepared by a qualified engineer, specialist, laboratory or fire safety specialty organization, acceptable to the Fire Chief and operator.¹

Planning and Development Department, Petroleum Unit

The Building & Safety Division's Petroleum Unit performs an annual inspection program for onshore oil field operations as granted under the authority of Chapter 25 of the Santa Barbara County code and regulations. The inspection program includes inspection of all associated equipment related to the production, storage and transportation of onshore oil and gas. The purpose of this program is to provide minimum standards to safeguard life, limb, health, property and public welfare, by regulating and

¹ On January 1, 2008, the 2007 California Fire Code went into effect. The technical assistance provision in the 2007 California Fire Code, does not state who is responsible for the cost of hiring an outside expert. When County Fire brings the 2007 California Fire Code to the Board of Supervisor's for adoption, it will recommend an amendment that would specifically state that the operator will be solely responsible for all costs associated with obtaining a report or opinion from an outside expert.

controlling design, construction, and maintenance of all petroleum facilities within the jurisdiction of the unincorporated areas of Santa Barbara County and certain equipment specifically regulated herein.

The Petroleum Unit has the authority to issue corrective orders when a petroleum facility or well is not operating in compliance with the petroleum code. If conditions warrant, a corrective order may include a stop work order, requiring the shutdown of the operation until the violation is mitigated to the satisfaction of the Petroleum Administrator. The petroleum code also grants the Petroleum Administrator authority to impose fines and seek criminal citations for violations of Chapter 25 depending upon their severity. These infractions may be turned over to the District Attorney for criminal prosecution under the discretion of the Petroleum Administrator.

Chapter 25 of the County Code grants the Petroleum Administrator the authority to require an oil producing operator to provide research reports, tests or technical opinion by an approved agency or licensed third party, analyzing the competency of the materials or assemblies to substantiate compliance. This requirement is to be made at no expense to the jurisdiction having authority.

The Air Pollution Control District (APCD)

APCD conducts periodic inspections of all permitted oil facilities. They respond to reports of upset and breakdown conditions reported by facility operators and also conduct special investigations when there is evidence of potential violations of APCD rules and/or permit conditions.

The California Department of Fish and Game

The California Department of Fish and Game responds to any spill of petroleum, hazardous materials, or any material deleterious to fish, plant life, mammals, or bird life into the waters of the state.

The California Department of Conservation Division of Oil, Gas and Geothermal Resources (DOGGR)

DOGGR responds to spills that are 1 barrel (42 gallons) or more on land, less than 1 barrel in a waterway, any blowouts, fires, serious accidents, significant gas, and water leaks resulting from or associated with an oil or gas drilling or producing operation, or related facility.

The Federal Environmental Protection Agency's (EPA)

The EPA Oil Program provides emergency response personnel, oil spill and Spill Prevention, Control, and Countermeasure Requirements (SPCC) enforcement support. The originating agency of SPCC requirements is the U.S. Department of Energy Office of Fossil Energy: Assessment of the Potential Costs and Energy Impacts of Spill Prevention, Control, and Countermeasure Requirements for U.S. Petroleum Refineries.