



BOARD OF SUPERVISORS
AGENDA LETTER

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

Agenda Number:

Submitted on:
(COB Stamp)

Department Name: Planning & Development
Department No.: 053
Agenda Date: November 4, 2025
Placement: Departmental Agenda
Estimated Time: 3 HOURS
Continued Item: Yes
If Yes, date from: February 25, 2025
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Director: Lisa Plowman, Director, Planning & Development
Contact: Errin Briggs, Deputy Director, Energy, Minerals & Compliance Division
SUBJECT: Hearing to consider the appeals of the Planning Commission Approval of the Sable Offshore Corporation's 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. 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:

Staff recommends the Board deny the appeals and approve the requested changes by taking the following actions:

- a) Deny the appeals, Case Nos. 24APL-00025 and 24APL-00026;
- b) Make the required findings for approval of the Change of Owner, Operator, and Guarantor for the respective Santa Ynez Unit, 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.

Alternatively, the Board could provide other direction to staff to prepare findings to reverse or modify the Planning Commission's approval.

Summary Text:

This item is the reconsideration of the appeals of the Planning Commission's approval of the Sable Offshore Corp. Change of Owner, Change of Operator, and Change of Guarantor for the Santa Ynez Unit (SYU), POPCO Gas Plant, and Las Flores Pipeline System Final Development Plan (FDP) Permits.

Background:

The transfer of County permits for facilities which process offshore oil & gas reserves to a new owner are subject to discretionary review in accordance with County Code Chapter 25B. On March 14, 2024, Sable Offshore Corp. submitted applications to Planning and Development requesting the following:

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

The Board previously considered this item on February 25, 2025, and with Supervisor Hartmann recused, reached a 2-2 tie vote, which resulted in no action. On May 8, 2025, Sable and Exxon Mobil subsequently filed suit in federal district court seeking, among other things, a determination that the tie vote required the County to transfer the FDP Permits. On September 12, 2025, the court issued an order directing the Board to hold a *de novo* public hearing to affirm, reverse, or modify the Planning Commission's decision in compliance with Santa Barbara County Code Chapter 25B-8, 9, and 10 within 60 days. The 60-day deadline for Board action is November 11, 2025. If the Board is unable to reach a vote that affirms, reverses, or modifies the Planning Commission's decision within this time period, the order directs the Board to hold another *de novo* public hearing within 45 days, and if unable again, every 45 days thereafter. A majority vote is required to meet the requirements of the Judge's writ of mandate.

On October 22, 2025, the parties stipulated that if a majority of the Board does not vote to approve the staff recommendations at the November 4 hearing, the Board may, at the conclusion of the *de novo* public hearing, continue that hearing within 45 days to allow for the preparation of alternative findings. On October 23, 2025, the Court issued an order approving the stipulation.

The February 25, 2025, hearing materials and complete record were included in this item's October 21, 2025, set hearing letter. Findings to support approval of the requested transfers (and denial of the appeals) are included herein as Attachment A.

Relevant Updates Since February 25, 2025 Board Hearing

Actions Undertaken by Sable: Subsequent to the February 25, 2025 Board hearing, Sable has taken the following steps to prepare for returning the Las Flores Pipeline system and the Santa Ynez Unit onshore facility to operation. The POPCO gas plant remains idle.

Las Flores Pipeline System

- Completed all necessary upgrades and repairs on the Las Flores Pipeline system including the installation of 27 new safety valves and over 200 anomaly repairs.
- Under the supervision of the Office of the State Fire Marshal (OSFM), successfully hydro-tested the entire Line 324/325 system to 1.39 times the maximum allowable operating pressure without any leaks.

- Completed all mandated actions required to be performed prior to the restart of 324/325 in accordance with the federal Consent Decree.
- Demonstrated incident response capabilities by conducting a successful Office of Spill Prevention and Response (OSPR) drill on July 17, 2025, with all coordinating agencies in attendance.

Santa Ynez Unit

- On October 3, 2025, Sable increased their liability insurance covering an upset condition for all assets to \$700M.
- Completed all required in-line inspections and hydrotesting for all SYU offshore crude oil and natural gas pipelines.
- Completed all County System Safety & Reliability Review Committee (SSRRC) audit matrix correction items required prior to restart.

Response to Repair Work: In addition to the actions listed above, notable compliance issues related to Sable and the subject assets have transpired since the previous Board hearing in February. Many of these issues, some of which are listed below, were spurred by the anomaly repair work that Sable performed on the Las Flores Pipeline system, Lines 324/325. Ultimately, the California Coastal Commission (CCC) disagreed with the County's conclusion in a February 12, 2025 letter that the anomaly digs for which Sable submitted Zoning Clearance applications (24ZCI-00090, 24ZCI-00091, 24ZCI-00095, and 24ZCI-00096) were authorized by the existing permits (Final Development Plan, Major Conditional Use Permit, and associated Coastal Development Permits) and was analyzed in the prior Environmental Impact Report/Environmental Impact Statement. The Coastal Commission, and Commission staff issued two cease-and-desist orders. In addition to the CCC's actions, Sable was subsequently engaged by several state regulatory agencies who issued their own violation notices and legal directives including, but not limited to:

California Coastal Commission

- Notice of Violation for unpermitted development in the coastal zone, V-9-24-0152 dated September 27, 2024
- Executive Director Cease & Desist Order, ED-24-CD-02 dated November 12, 2024
- Notice of Violation for unpermitted development offshore, V-9-25-0013 dated February 11, 2025
- Executive Director Cease & Desist Order, ED-25-CD-01 dated February 18, 2025
- Commission Cease & Desist Order, CCC-25-CD-01 dated April 10, 2025
- Civil litigation between the Coastal Commission and Sable related to these issues is ongoing. (Case No. 25CV00974.)

Regional Water Quality Control Board

- Notice of Violation for unauthorized discharge of waste to waters of the US, dated December 13, 2024
- Notice of Violation for unauthorized discharge of waste to waters of the US and failure to report, dated April 15, 2025
- Notice of Violation for failure to report, dated July 24, 2025
- On October 3, 2025, the State Attorney General filed a complaint for civil liabilities and injunctive relief for failure to comply with the Regional Water Quality Control Board's investigative order, failure to report waste discharges and discharge of waste without a permit.

California Department of Fish & Wildlife

- Notice of potential violations of the fish and game code, dated December 17, 2024

Resolution of these compliance/enforcement actions remain outstanding.

Fiscal Analysis:

The cost to process these appeals is wholly borne by Sable Offshore Corporation through payment of Planning & Development permit processing fees. Funding for permit processing is budgeted in the Planning and Development's Permitting Budget Program on Page 307 of the County of Santa Barbara Fiscal Year 2025-26 Adopted Budget.

Special Instructions:

The Planning and Development Department will satisfy all noticing requirements. The Clerk of the Board shall forward the minute order to Planning and Development Department Hearing Support staff, to the attention of David Villalobos (dvillalos@countyofsb.org).

Attachments:

Attachment A – Findings for Approval

Attachment B – Writ of Mandate dated September 12, 2025

Contact Information:

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