



BOARD OF SUPERVISORS
AGENDA LETTER

Agenda Number:

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

Department Name: Planning and
Development
Department No.: 053
For Agenda Of: 12/5/17
Placement: Administrative
Estimated Time: N/A
Continued Item: No
If Yes, date from:
Vote Required: Majority

TO: Board of Supervisors
FROM: Department Glenn Russell, Ph.D., Director (805) 568-2085
Director(s)
Contact Info: Dianne Black, Assistant Director (805) 568-2086
SUBJECT: Venoco Line 96 De-Inventory Project, Emergency Permit
Case No. 17EMP-00000-00012, Gaviota Area, Third Supervisorial District

County Counsel Concurrence

As to form: Yes

Auditor-Controller Concurrence

As to form: N/A

Other Concurrence: N/A

As to form: No

Recommended Actions:

That the Board of Supervisors:

- a) Receive and file this report on Emergency Permit 17EMP-00000-00012, which authorized the de-inventory of Venoco's Line 96 to reduce the risk of an oil spill. A copy of the Emergency Permit is included herein as Attachment A;
- b) Determine that issuance of the Emergency Permit is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines section 15269(c), as this action was necessary to prevent or mitigate an emergency as specified in Attachment B of this Board Letter; and
- c) Determine that receiving and filing this report is not a project pursuant to CEQA Guidelines section 15378(b)(5), as it is an administrative government activity that will not result in direct or indirect physical changes in the environment.

Background

On May 19, 2015, the Plains All American Pipeline Line 901 (Plains Line 901) ruptured and resulted in a shut-in along Venoco's Ellwood Pipeline, Inc. (EPI) 6-inch diameter Line 96 which connects

Venoco's Ellwood Onshore Facility (EOF) to the Plains All American Pipeline 901. The point of connection with Plains Line 901 is approximately 8.4 miles west of EOF at Las Flores Canyon. Plains Line 901 remains inoperable in Santa Barbara County due to the May 19, 2015 spill incident near Refugio Beach State Park and associated ongoing repairs. Venoco's Platform Holly and Ellwood Onshore Facility have been shut down since May 21, 2015 as a result of the pipeline failure. The duration of the pipeline system shutdown is unknown. Additionally, Venoco has relinquished their lease of offshore production interests and no longer has the right to produce from platform Holly. Under current State regulations, interest in the lease cannot be transferred to another entity. As such, oil will no longer be processed through EOF or Line 96.

On October 16, 2017, the County issued an Emergency Permit to Venoco LLC, the owner and operator of Line 96, to allow for the de-inventory of 1,700 barrels of crude oil from Line 96. This Board letter reports on the Emergency Permit.

Summary Text

Section 35-171.2 of the Article II Coastal Zoning Ordinance authorizes the Director of the Planning and Development Department (P&D) to temporarily defer standard permit requirements of the Zoning Ordinance and issue an Emergency Permit when emergency action is warranted. Section 35.171.6 of the Coastal Zoning Ordinance requires the Director to submit a written report describing the nature of the emergency and the work involved to the Board of Supervisors after issuing an Emergency Permit. This notification fulfills the ordinance requirements.

On September 26, 2017, an application for an Emergency Permit was submitted to P&D to allow the de-inventory of Venoco's Line 96 to reduce the risk of an oil spill. Line 96 is currently idled and contains approximately 1,700 barrels of dry oil presenting a potential oil spill risk to the local environment. In the event of a natural disaster (earthquake), structural failure of the pipeline, or accidental disturbance of the pipeline from an external force (subsurface work like drilling or excavation), the crude oil product currently in the line could be released to the environment, possibly entering creeks and ultimately into the ocean. No secondary containment exists around the pipeline to protect the environment from potential pipeline failure. These circumstances constitute an emergency situation requiring more immediate action than the customary permit procedures would accommodate.

P&D issued the subject Emergency Permit on October 16, 2017. Emergency Permit 17EMP-00000-00012 authorized the de-inventory of Venoco's Line 96 and the transfer of the crude oil into trucks stationed at the Ellwood Pipeline Inc. Tautrim valve site, which is the tie-in point between Venoco's Line 96 and the Plains All American Pipeline. Pursuant to the Article II Coastal Zoning Ordinance, Section 35-171.5.1, a notice was mailed to surrounding property owners and residents, a notice was posted in a newspaper of local distribution, and three (3) notices were posted at the subject property.

Pursuant to Article II Section 35-171.5.3, an Emergency Permit does not constitute an entitlement to the erection of permanent structures. Section 35-171.5.3 requires an application for a Coastal Development Permit and any discretionary permit no later than 30 days following the granting of an Emergency Permit. The follow-on Coastal Development Permit is due to be submitted by November 15, 2017. As of the date of this letter, an application has not yet been submitted nor a time extension request received.

Issuance of the Emergency Permit is consistent with the County Land Use Element, the Coastal Land Use Plan, and the Article II Coastal Zoning Ordinance, as the action provides an immediate response to an emergency situation in the interest of health, safety, and public welfare. The emergency work was completed from November 6 through November 10, 2017 and crude oil was removed from Venoco's Line 96. The pipeline remains full of water mixed with corrosion inhibitors and biocides.

Fiscal and Facilities Impacts:

County costs for preparing the Emergency Permit are reimbursed by the applicant in conformance with the current Board-approved fee resolution ordinance. Funding for this project is budgeted in the Permitting Budget Program on Page D-286 of the adopted 2017-2018 fiscal year budget. The estimated total cost to process this Emergency Permit is approximately \$5,000.00.

Attachments:

Attachment A: Emergency Permit 17EMP-00000-00012 (with Site Plans)

Attachment B: CEQA Exemption Supporting Emergency Permit

Attachment C: CEQA Exemption Supporting Board Receipt and File of Report

Authored by: Joseph Dargel

cc: California Coastal Commission, 89 South California Street, Suite 200, Ventura, CA 93001

G:\GROUP\PERMITTING\Case Files\EMP\2017\17EMP-00000-00012 Venoco\BAL\Board Agenda Letter.doc