

Katherine Douglas

Applicant Presentation

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From: Jessica.StebbinsBina@lw.com
Sent: Friday, December 12, 2025 11:37 AM
To: sbcob
Cc: lkaplan@omm.com; srusch@sableoffshore.com
Subject: December 16, 2025 Board of Supervisors Meeting - Applicants' Submissions Sable Offshore
Attachments: ExxonMobil 12.12.25 Written Submission for 12.16.25 BOS Hearing.pdf; 2025.12.12 Applicants' Supporting Exhibits - 12.16.2025 Board Hearing.pdf; December 2025 Sable Board Presentation.pdf; 2025.12.12 Applicants' Submission in Further Support- 12.16.2025 Board Hearing.pdf

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Good morning,

Please find attached Applicants' Sable Offshore Corp., Pacific Pipeline Company, and Pacific Offshore Pipeline Company submission to the Board of Supervisors in connection with the December 16, 2025 continued Hearing regarding the Application for Change of Owner, Guarantor, and Operator for the Las Flores Pipeline System Lines CA-324 and CA-325 A/B; Application for Change of Owner, Guarantor, and Operator for the POPCO Facilities; and Application for Change of Owner, Guarantor, and Operator for the Santa Ynez Unit, as well as Applicants' planned presentation to the Board at the hearing. I am also attaching an additional letter from the ExxonMobil affiliates that currently hold the permits at issue.

Hard copies of all documents will be delivered this afternoon.

We would appreciate your confirming receipt.

Please don't hesitate to reach out with any questions.

Best regards,

Jessica Stebbins Bina

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Sable Offshore Corp.

Application for Change of Owner, Operator
and Guarantor

SABLE
OFFSHORE



December 16, 2025



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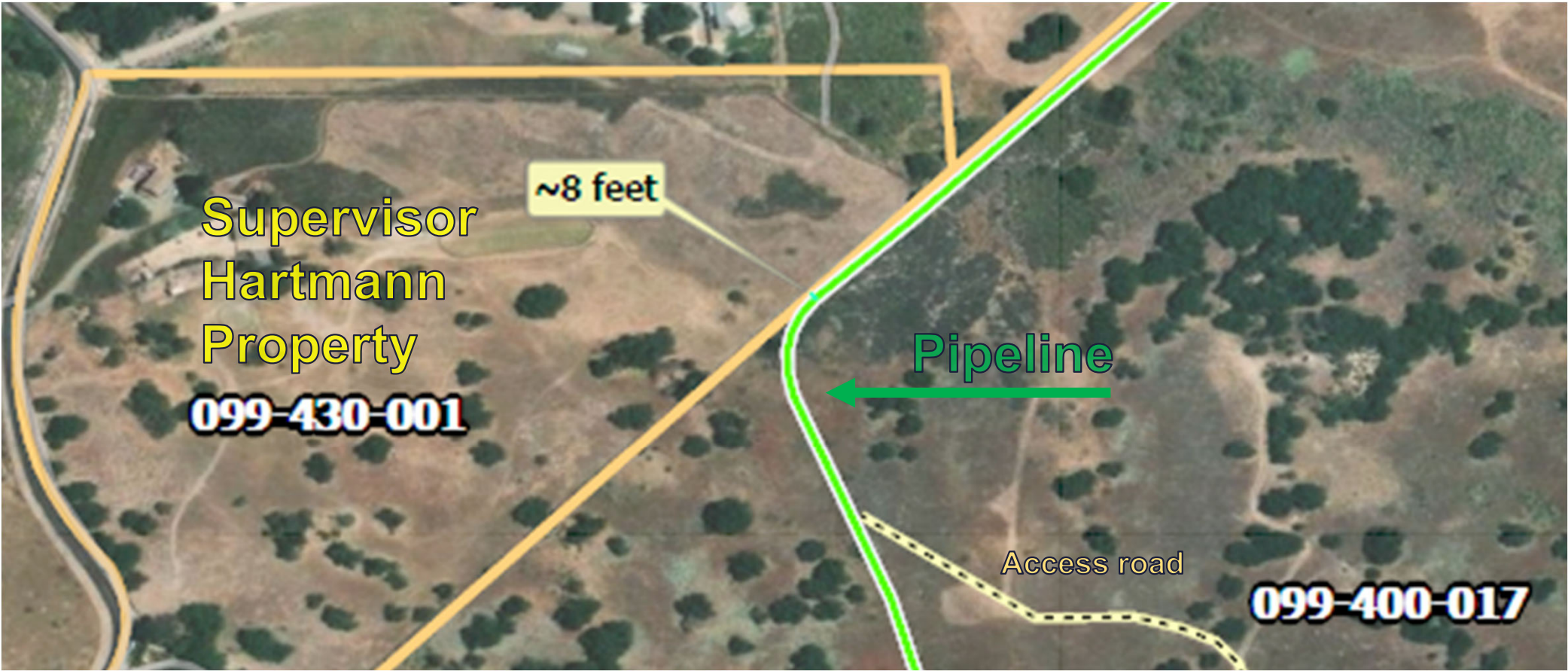
Background

- **Three facilities:**
 - Santa Ynez Unit: change of owner, operator, and guarantor from ExxonMobil to Sable
 - Pacific Offshore Pipeline Company Gas Plant: change of operator and guarantor from ExxonMobil to Sable
 - Las Flores Pipeline System: change of operator and guarantor from ExxonMobil to Sable
- Although set forth in joint applications for each facility, each application includes multiple separate requests pursuant to separate sets of findings required by Chapter 25B:
 - Change of Owner for the SYU (County Code § 25B-9(a)(1)-(5))
 - Change of Operator for the SYU, POPCO Facilities, and the Pipeline (County Code § 25B-10(a)(1)-(9))
 - Change of Guarantor for the SYU, POPCO Facilities, and the Pipeline (County Code § 25B-9(e))
- These findings consist of nine requirements. All findings are **ministerial**, requiring the application of “fixed standards” to determine “objective” facts. The Draft Findings **only address one of nine of the required findings** and ignore Owner and Guarantor Findings altogether.
 - The Change of Operator Finding only applies to the SYU and POPCO Facilities, as it is wholly preempted with respect to the Pipeline.
 - The Draft December Findings do not address any of the required findings for Change of Guarantor or Change of Owner – as such there is no basis to reverse the Planning Commission’s decision with respect to these requests.
- Per the September 12, 2025, court order, the Board **must** follow Chapter 25B requirements
- All findings have been met; the Board has a mandatory duty to approve the permit transfers

Due Process Requires a Fair Tribunal and Recusal

- Due process requires a ***fair tribunal*** and ***mandatory recusal***, when a decisionmaker cannot serve as a “reasonably impartial, noninvolved reviewer.”
- Under California’s Political Reform Act & FPPC rules, public officials must recuse themselves from decisions in which they have a conflict of interest, including those that would materially affect their property interests.
- A material effect is **presumed** when the governmental decision “[i]nvolves property located 500 feet or less from the property line of the parcel unless there is clear and convincing evidence that the decision will not have any measurable impact on the official's property.” (Cal. Code Regs. tit. 2, § 18702.2, subd. (a)(7).)
- Supervisor Hartmann has admitted a **conflict of interest** due to the proximity of her property to the Pipeline.
 - Feb. 25, 2025 hearing: *“I must recuse, the pipeline runs through the northeast corner of my property.”*
 - Jan. 6, 2025 email: *“[M]y hands are tied because of the FPPC conflict of interest rules.”*
 - Jan. 25, 2025 email: *“I am affected in a different way than a member of the general public vis a vis this project.”*
- While the FPPC’s June 2025 advice letter stated that Supervisor Hartmann was not obligated to recuse under the assumption that her property was approximately 900 feet from the Pipeline, this letter was **premised on incorrect information.**
- The closest distance between the Pipeline and Hartmann parcel is **only 8 feet**, as demonstrated by a map from the Pacific Pipeline Company prepared by a licensed land surveyor.
- The FPPC specifically instructed that, “[i]f at any time there are indications that Line 903 is in fact closer to Supervisor Hartman’s property than currently estimated, **Supervisor Hartman should seek additional advice prior to any further involvement in decisions involving Line 903.**” (FPPC 2025 Letter, p. 3 [emphasis added].)
- Supervisor Hartmann must recuse herself.

Distance from Property to Pipeline



All Chapter 25B Findings Are Met

Sable Offshore Corp.		Sable Offshore Corp. Pacific Offshore Pipeline Company Pacific Pipeline Company		Sable Offshore Corp.	
Guarantor		Owner		Operator	
Financial Guarantees	✓	Fees and Exactions	✓	Fees and Exactions	✓
		Financial Guarantees	✓	Financial Guarantees	✓
		Acceptance of Permits	✓	Acceptance of Permits	✓
		Facility Safety Audit	✓	Facility Safety Audit	✓
		Compliance with Existing Requirements	✓	Compliance with Existing Requirements	✓
				Compliance Plans	✓
				Transitional Plan	✓
				Emergency Response Plan Drills	✓
				Operator Capability	✓

Applicants Fully Satisfied Operator Capability Finding (County Code § 25B-10(a)(9))

- The Operator Capability finding is preempted with respect to the Pipeline.
- The Operator Capability finding has been met for the SYU and POPCO Facilities.
 - Planning Commission properly found that the Operator Capability finding was met for each Facility.
 - Draft December Findings' statements related to repair and maintenance work on *the Pipeline* cannot provide a basis for reversal with respect to *the SYU* or *the POPCO Facilities*.
- The Draft December Findings do not identify any permissible basis to reverse the Planning Commission's Operator Capability findings
 - The Draft December Findings say nothing about POPCO operations and raise no bases for reversal with respect to POPCO.
 - Draft December Findings provide no basis for reversal with respect to SYU or Pipeline either.
- The scope of the Operator Capability finding is limited:
 - The Board must determine whether the Applicants have the “skills, training and resources” to operate *each* facility “***in compliance with the permit and all applicable county codes***” and have the “demonstrated the ability to comply with [certain specified] compliance plans.” (County Code § 25B-10(a)(9) [emphasis added].)
 - The Board's review is limited to the “relevant records of compliance” or “corrective action taken subsequent to major incidents...” to confirm whether there is a record of systemic non-compliance or safety issues. (*Id.*)
 - The “evidence” relied upon in the Draft December Findings falls outside this narrow scope.

Preemption Limits County's Inquiry Under 25B

- **Pipeline safety, design, operation**, and restart are preempted by federal law (HLP/SA/PHMSA); local regulation is barred.
- **Evidence-of-financial-responsibility** for spill response is exclusively governed by OSPR; the County cannot impose additional or different COFR requirements.
- State Lands Commission, BSEE, and Cal/OSHA regulate various offshore and industrial operations, **precluding County-level regulation**.
- The 1988 Celeron Settlement confirms the County lacks jurisdiction over pipeline design, construction, and operation, consistent with preemption.
- County has acknowledged the limits of its authority in Chapter 25B, including in multiple litigations.
- Practical implications of these limits:
 - Operator Capability Finding (Sec. 25B-10(a)(9)) cannot be used to regulate pipeline safety or the merits of flowing oil through the pipeline, which is outside the County's authority.
 - Requiring different or additional evidence of financial responsibility for pipeline or facility spills would exceed the County's authority.
 - Confirms the ministerial nature of Chapter 25B.

Sable Meets Operator Capability Requirements (§ 25B-10(a)(9))

- The requirements of this finding are satisfied.
- Sable's Executive Management Team members have managed oil and gas exploration and production businesses in the Pacific Ocean, offshore Texas and Louisiana, and onshore California **for more than 30 years**.
- Sable's Onsite Middle Management Team members have all transferred over from similar roles at the Las Flores Canyon Facilities under ExxonMobil, with **an average of 21 years of experience working at the facilities**.
- Over 95% of ExxonMobil employees transferred over in their same or similar capacity.
- All employees and management have been trained on the facility-specific Compliance Plans.
- **Sable management 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. (PC Findings, pp, 6, 9, 12-13.)
- To the extent that Appellants assert that this finding allows the Board to evaluate whether Sable is capable of operating the Pipeline safely, the Board is preempted from doing so. Nonetheless, **Sable's track record shows it has the experience necessary to continue safe operations**.
- This finding is narrow and ministerial, requiring the County to review *specifically enumerated* compliance records and corrective actions for major incidents at similar facilities.

World Class Quality and Safety Assurance

- **Santa Ynez Unit and POPCO Gas Plant**

- Production facilities fully “re-commissioned” to original world-class design specifications, and Applicants have implemented many safety-oriented upgrades
 - Equipment meets “as-new” service requirements
 - Continuous monitoring of critical systems since 2015
 - Tested all process piping and vessels (wall thickness measurements) to ensure equipment meets original design requirements
 - Tested all process and safety control devices to ensure they meet or exceed current design standards
 - Pressure tested all piping and equipment above maximum expected operating pressures for extra measure of safety
 - Upgraded the existing leak detection system on emulsion pipeline to shore to current state-of-the-art technology

- **Las Flores Pipeline**

- County review of pipeline safety is fully preempted by federal law
- Implementing a world-class integrity management program, using state-of-the-art management practices, multiple annual internal inspections, planned cathodic protection upgrades and more
 - Anomaly repair criteria is 20% more restrictive than current regulations - far exceeding industry standards
 - Integrity tool run frequency is 10 times greater than current regulations
 - Successful hydrotests (e.g., “spike tests”) ensure pipelines are in as-new condition and good for decades of safe operation
- Incorporating substantially enhanced leak detection and system improvements
- Significantly reduced system reaction times using automatic shutoff systems and 27 new emergency flow restriction devices
 - Meets and exceeds California’s Best Available Technology mandates
- Sable has voluntarily enhanced its emergency response capabilities through deployment of additional Spill Response Teams and strategically located response equipment

Response to Draft Findings: California Coastal Commission

- Coastal Commission-related allegations do not demonstrate operator incapability.
- Coastal Commission’s NOV’s and CDOs post-date the application completeness date (July 30, 2024) and are not properly considered under Chapter 25B.
- Allegations are incorrect on the facts:
 - Sable and its predecessor had discussions with County staff in 2023 regarding the need to conduct anomaly repair work.
 - County staff understood such work would be undertaken and indicated to Sable that no County permitting was required.
 - Sable submitted the Zoning Clearance applications in response to the Commission’s NOV to allow the County to further assess whether any new or amended form of Coastal Act authorization or other permit would be required.
 - In response to the Zoning Clearance applications, the County’s letter expressly concluded that work was “**authorized by the [Pipeline’s] existing permits**” and thus required “**no further application to or action by the County.**”
 - Contrary to claim that Applicants ignored agency directives, Sable promptly sought to clarify Coastal Commission jurisdiction to impose NOV’s or CDOs – litigation is ongoing.
 - Trial court admitted it could have applied alternative standard of review in writ proceeding – further briefing filed on December 12.
 - Work was performed carefully: the Pipeline EIR/EIS previously analyzed biological impacts, and Sable implemented construction BMPs (e.g., preconstruction biological surveys, biological monitoring, training and awareness).
- Allegations do not impact ability to comply with **FDPs, County codes, and applicable compliance plans**.
 - The Coastal Commission’s NOV’s and CDOs were not issued by the County and thus do not demonstrate non-compliance with any FDP, County code, or compliance plan.
- This is the first time that the County has asserted that “authorization should have been sought prior to initiating the digs” even though the County determined that no new permits were required.
- County staff previously considered and rejected argument that this dispute was relevant – there is no basis for that to change.

Response to Draft Findings: Water Board and CDFW Matters

- Water Board and CDFW NOVs and related Attorney General and District Attorney complaints are not a basis to deny the transfers.
- Alleged violations relate only to the Pipeline, **not** the SYU or POPCO Facilities.
- Regardless, disputes go beyond the confines of Chapter 25B:
 1. The events and complaints post-date the application completeness date (July 30, 2024).
 2. Chapter 25B permits the Board to consider only compliance with “applicable county ordinance[s],” not state laws or federal regulations, which are outside its jurisdiction.
 3. Since the allegations in the complaints pertain to the Pipeline, the County is preempted.
 4. The complaints consist of unproven allegations, not a final compliance record or corrective action.
- Even so, the alleged violations do not show that the Operator Capability finding has not been met:
 - **None** of the alleged violations relate to safety issues, nor do they allege any discharges of oil, petroleum, or any hazardous substance, or any noncompliance with the FDPs, applicable County codes, or the compliance plans.
 - Applicants strongly deny wrongdoing:
 - Biological and cultural assessments were done to ensure no adverse effects on resources, all repairs and excavations were witnessed and observed by OSFM and evaluated by certified professionals, and no wildlife was adversely affected. Applicants also promptly (i) hired additional experts; (ii) responded directly to the NOV’s allegations; and (iii) hosted regulators – including the Water Board – for repeated site visits.
 - Sable is cooperating with Water Board and CDFW regarding after the fact permitting – Sable has received permits from the Water Board and CDFW for 5 sites. For the remaining sites, Sable has been notified by the Water Board that all after-the fact permitting applications have been deemed completed and anticipate receiving final permits with 60 days, and are actively working with CDFW regarding final Lake and Streambed Alteration Agreements.

Response to Draft Findings: CA State Lands Commission Letter

- Letter post-dates the application completeness date (July 30, 2024) and is not properly considered under Chapter 25B.
- Not a basis to find that Applicants are not capable of operating the Facilities.
- The SLC Chair's May 23, 2025 letter is not:
 - a notice of violation
 - “a relevant compliance record”
 - a “corrective action following major incidents”
 - nor does it demonstrate systemic non-compliance or safety
- Applicants were in regular communication with SLC throughout this period.
- SLC Chair's subjective opinions regarding Sable's description of their operations are immaterial to the County's inquiry: whether the Applicants have the “skills, training and resources” to operate the facilities in compliance the FDPs, County codes, and compliance plans.
- County staff previously considered and rejected argument that this letter was relevant – no basis for change.

Response to Draft Findings: “SEC Lawsuits”

- December Draft Findings cite related “Securities Exchange Commission (SEC) Lawsuits.”
- **The SEC has not filed any lawsuits against Applicants.**
- Two civil lawsuits have been filed. Sable has moved to dismiss one lawsuit, and the other is stayed. Both post-date the application completeness date (July 30, 2024). No findings of liability have issued.
- None of this is a basis to find that Applicants are not capable of operating the Facilities.

Response to Draft Findings: May 2025 Operations

- In May 2025 at the SYU, Applicants filled crude storage tanks with diesel fuel and conducted offspec propane bullet activities. The Draft Findings allege that review by the System Safety & Reliability Review Committee (SSRRC) was required under SYU FDP Permit Condition XI-2.a.
 - The cited SYU FDP provision does not require a Management of Change protocol or prior notice to SSRRC for these operations.
 - Sable provided prior notice to SSRRC before bringing diesel to site.
 - Sable voluntarily processed a Management of Change protocol related to temporarily filling crude oil tanks with diesel fuel.
 - Sable voluntarily processed this at the request of the County’s petroleum engineering consultant.
 - Confirmation of Management of Change was provided to County’s consultant on June 12, 2025.
 - For the SYU Offspec Propane Bullet activities, Sable communicated with the County’s consultant, who concurred with Sable’s determination that no Management of Change would be necessary.
 - Neither allegation is a “relevant record[] of compliance” or “corrective action taken subsequent to major incidents...”
 - These allegations do not demonstrate systemic non-compliance or safety issues.
- The Draft Findings allege that notice was required prior to petroleum transport to SYU in May 2025.
 - Before moving any petroleum to the onshore SYU facilities, Sable communicated its intention to the County’s consultant on multiple occasions.
 - The December Draft Findings fail to identify any provision of the SYU FDP that would require a more formal notification to the County before moving oil into the facilities.
 - This is not a “relevant record[] of compliance” or “corrective action taken subsequent to major incidents...”
 - This does not demonstrate systemic non-compliance or safety issues.

Self-Reported Minor Spills at the SYU

- Two, minor self-reported non-hydrocarbon spills.
- The spills are dated after the application completeness date (July 30, 2024) and are not properly considered under Chapter 25B.
 - Hydrochloric Acid Spill (August 6, 2025)
 - **Small spill:** 280 gallons of hydrochloric acid
 - **Self-reported:** Applicants promptly notified the California Office of Emergency Services (CalOES)
 - **Prompt response:** Spill was isolated to the ground, storm drains blocked, no additional surfaces or waterways impacted
 - **Cleanup:** SB Fire Department inspected the spill on-site and reviewed the cleanup plan, release controlled, cleanup crew equipped with proper PPE
 - Demonstrates Sable's commitment to comply with all applicable codes
 - Anaerobic Biosolid Sludge Material Release (August 27, 2025)
 - **Self-reported** to CalOES
 - **Containment:** Most material remained in preliminary containment area, some impacted gravel, no waterways or storm drains affected
 - **Cleanup:** Release stopped, crews using equipment for cleanup, no injuries reported
 - **No Environmental Impact:** Subsequent tests confirmed no harm to the environment, no toxic materials released

SBAPCD Notices

- Draft December Findings cite three **self-reported** Santa Barbara County Air Pollution Control District (“SBAPCD”) notices of violation issued between July and September 2025
- The notices are dated after the application completeness date (July 30, 2024), and are outside the County’s scope of review
- Minor technical violations do not demonstrate systemic non-compliance or safety concerns. The fact that they were self-reported demonstrates that Applicants are **prudent operators** that promptly communicate with regulators – this is evidence *in favor* of the Operator Capability finding
- These incidents **did not result** in any material excess emissions or significant health, safety, or environmental impacts:
 - **Jul. 15, 2025:** Failure to operate a vapor recovery compressor when it tripped during start-up system swapping with no hazardous materials released
 - Requirement to run compressor at all times excludes start-up operations
 - Did not cause a release of **any** emissions to atmosphere; SBAPCD has not required any additional action following the report
 - **Jul. 15, 2025:** Failure to operate the flare pilot system flame continuously
 - Resulted in **very small** estimated emissions (0.52 lbs ROCS)
 - SBAPCD has not required any additional action following the report
 - **Aug. 18, 2025:** Failure to operate a Waste Gas Incinerator Continuous Emissions Monitoring System for SOx for 5 days
 - Applicants applied for a variance, which was granted on July 10, 2025
 - The cause of the incident was identified and remedied, and the incident resulted in **no excess emissions**
- SBAPCD Notices are common among various Santa Barbara County operators indicating stringent regulations rather than pattern of misconduct by the Applicants
 - Other entities received multiple notices during this time period – including the County of Santa Barbara, City of Santa Maria, Montecito Water District, and others

Hunterbrook Article and Call Transcript

- December Draft Findings cite Hunterbrook Article and unofficial transcript of call audio.
 - Neither fall within the scope of the County’s limited Operator Capability inquiry.
 - Both post-date the application completeness date (July 30, 2024) and are not properly considered under Chapter 25B.
- Hunterbrook Article
 - No allegations related to noncompliance with environmental, health, or safety laws.
 - Not a “relevant record of compliance” or “corrective action after major incidents...”
 - Not relevant to “**skills, training, and resources**” to operate the Facilities in compliance with **the FDPs, County codes, and compliance plans.**
- Unofficial Transcript of Call Audio
 - Out-of-context statements.
 - Not a “relevant record of compliance” or “corrective action after major incidents...”
 - Not relevant to “**skills, training, and resources**” to operate the Facilities in compliance with **the FDPs, County codes, and compliance plans.**
- Unconfirmed allegations
 - Even if the Board were permitted to consider the Hunterbrook article under Chapter 25B (which it is not), the article contains mere allegations which are subject to an investigation by a Special Committee of the Company’s Board of Directors.

Other Appellant Arguments

- **April 11, 2025 Planning & Development Notice**

- Appellants point to notice issued due to alleged non-compliance with a requirement that “activities be limited to the period between 7 a.m. and 7 p.m.”
- This notice post-dates the application completeness date (July 30, 2024) and should not be considered.
- This isolated incident has no bearing on the Operator Capability finding – it does not demonstrate *systemic* safety deficiencies or operator compliance issues with respect to FDPs, the County code, or the Compliance Plans.

- **OSFM October 22, 2025 Letter re State Waiver Requirements**

- This letter post-dates the application completeness date (July 30, 2024) and should not be considered.
- County is preempted on operator capability with respect to the Pipeline – exclusive jurisdiction of PHMSA.
- The letter does not allege any violation of law or safety deficiency, and the Applicants continue to coordinate with both PHMSA and OSFM to ensure that the Pipeline meets all applicable requirements.

- **Communications with Other State Agencies**

- California State Parks Easement Negotiation:
 - This communication is related to real property agreements and did not involve any alleged noncompliance with environmental, safety, or other legal requirements.
- CalGEM Bonding:
 - Applicants dispute that CalGEM has jurisdiction to impose the requirements it has asserted.
 - Communications with CalGEM are ongoing, and CalGEM had not issued any notices of violation or initiated any enforcement action against the Applicants.

Board Must Approve Change of Guarantor and Owner

- Even if the Board finds the Applicants do not meet the Operator Capability finding (which is not supported by the record), the Board must approve the applications for a Change of Guarantor for all three Facilities and a Change of Owner for the SYU.
- The December Draft Findings assert that the Board may deny each of the applications in full on the basis that one finding related to a Change of Operator cannot be made – **this is incorrect**.
- The Board cannot deny the applications in full if the Board finds that only the Operator Capability finding has not been met.
 - *The Operator Capability finding is limited to an application for a Change in Operator* (County Code § 25B-10(a)(9))
 - The Operator Capability finding is **not** part of the independent applications for Change of Guarantor or Owner (County Code §§ 25B-9(a)(1)-(5), 25B-9(e)(1))
- The Board may not deny the applications for Change of Guarantor or Owner on the basis of a finding that is not a part of the application requirements for a Change in Guarantor or Owner.

Sole Finding for Change of Guarantor Has been Met

Sable Offshore Corp.

Guarantor

Financial Guarantees



Applicants Meet All Requirements for a Change of Guarantor

- To approve a change in Guarantor, the County must make only one finding, the Financial Assurances finding under Chapter 25B-9(e)(1).
- Financial Guarantees (§ 25B-9(e)(1)):
 - *“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 County must only verify an objective requirement: Applicants have provided the financial assurances required by the FDPs or by the County Code.
 - The only financial assurances that the County may require are those necessary “to comply with the permit and any county ordinance.”
 - If the FDPs or County ordinance do not already require a specific form of financial assurance, the Board may not impose such a requirement now.
- During the Litigation, the County **did not contest** this finding was ministerial.
- The Planning Commission correctly found that the Applicants meet this requirement for all three Facilities (PC Findings, pp. 3, 6-7, 9-10). Staff repeatedly recommended that the Board make this finding. (February 2025 Board Letter, October 2025 Board Letter).
- The December Draft Findings **present no evidence** to contravene the Planning Commission’s findings or County staff’s prior determinations that the Applicants meet the requirements for a Change of Guarantor for all three Facilities.

Findings For Change of Owner Have been Met

Sable Offshore Corp.
Pacific Offshore Pipeline Company
Pacific Pipeline Company

Owner	
Fees and Exactions	<input checked="" type="checkbox"/>
Financial Guarantees	<input checked="" type="checkbox"/>
Acceptance of Permits	<input checked="" type="checkbox"/>
Facility Safety Audit	<input checked="" type="checkbox"/>
Compliance with Existing Requirements	<input checked="" type="checkbox"/>

Applicants Meet All Requirements for a Change of Owner

- To approve a Change of Owner, the County must make five findings: Fees and Exactions (§ 25B-9(a)(1)), Financial Assurances (§ 25B-9(a)(2)), Acceptance of Permit (§ 25B-9(a)(3)), Facility Safety Audit (§ 25B-9(a)(4)), Compliance with Permits (§ 25B-9(a)(5)).
- The findings for Change of Owner are ministerial and have been met. Staff repeatedly recommended that the Board make these findings (February 2025 Board Letter, October 2025 Board Letter).
- December Draft Findings **present no evidence** to contravene the Planning Commission's findings or County staff's prior determinations that Applicants meet requirements for a Change of Owner for the SYU.
- Fees and Exactions (§ 25B-9(a)(1)):
 - *"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." (PC Findings, p. 1 [emphasis added].)
- Financial Assurances (§ 25B-9(a)(2)):
 - *"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 [sic] 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." (PC Findings, p. 2 [emphasis added].)

Applicants Meet All Requirements for a Change of Owner

- Acceptance of Permit (§ 25B-9(a)(3)):
 - *“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.”* (PC Findings, p. 2 [emphasis added].)
- Facility Safety Audit (§ 25B-9(a)(4)):
 - *“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).”* (PC Findings, p. 2 [emphasis added].)
- Compliance with Existing Permit Requirements (§ 25B-9(a)(5)):
 - *“As of the date that the application is deemed complete, the current owner(s) are in compliance with all requirements of the permit. . .”*
 - *“The requirements of this finding are satisfied. The **permittee is in compliance** with all requirements of the FDP Permit. No [County] notice of violations have been issued for the facility.”* (PC Findings, p. 3 [emphasis added].)

Findings for Change of Operator Have been Met

Sable Offshore Corp.

Operator	
Fees and Exactions	✓
Financial Guarantees	✓
Acceptance of Permits	✓
Facility Safety Audit	✓
Compliance with Existing Requirements	✓
Compliance Plans	✓
Transitional Plan	✓
Emergency Response Plan Drills	✓
Operator Capability	✓

Applicants Meet Requirements for a Change of Operator

- To approve a change in Operator, the County must make nine findings: Fees and Exactions (§ 25B-10(a)(1)), Financial Assurances (§ 25B-10(a)(2)), Acceptance of Permit (§ 25B-10(a)(3)), Facility Safety Audit (§ 25B-10(a)(4)), Compliance with Permits (§ 25B-10(a)(5)), Compliance Plans (§ 25B-10(a)(6)), Transitional Plan (§ 25B-10(a)(7)), Emergency Response Drills (§ 25B-10(a)(8)), Operator Capability (§ 25B-10(a)(9)).
- The findings for Change of Operator are ministerial and have been met
- Staff repeatedly recommended that the Board make these findings (February 2025 Board Letter, October 2025 Board Letter).
- For eight of the nine findings, the December Draft Findings **present no evidence** to contravene the Planning Commission's findings or County staff's prior determinations that the Applicants meet the requirements for a Change of Operator for all three Facilities.

Applicants Meet Requirements for a Change of Operator

- Fees and Exactions (§ 25B-10(a)(1)):
 - “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.” (PC Findings, pp. 3, 7, 10 [emphasis added].)
- Financial Guarantees (§ 25B-10(a)(2)):
 - “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. **Previously required bonds** and endowments under the FDP Permit **have been satisfied** and none remain outstanding. The FDP Permit Condition No. XXX-1 [sic] 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.**” (PC Findings, pp. 3-4, 7, 10.)
 - **OSPR regime preempts the Board’s authority to require alternative or additional evidence of financial responsibility with respect to the Pipeline.**

Applicants Meet All Requirements for a Change of Operator

- Acceptance of Permit (§ 25B-10(a)(3)):
 - *“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.”* (PC Findings, pp. 4, 7-8, 10 [emphasis added].)
- Facility Safety Audit (§ 25B-10(a)(4)):
 - *“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).”* (PC Findings, pp. 2, 4, 7-8 [emphasis added].)
 - For the Pipeline, “[t]he 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*).” (PC Findings, p. 11.)

Applicants Meet All Requirements for a Change of Operator

- Compliance with Existing Permit Requirements (§ 25B-10(a)(5)):
 - *“As of the date that the application is deemed complete, the current owner(s) are in compliance with all requirements of the permit. . .”*
 - “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.” (PC Findings, pp. 4, 8, 11 [emphasis added].)
 - This Board considered and rejected claim that cathodic protection did not meet permit requirements:
 - Cathodic protection system remains intact
 - The FDP and associated Conditions of Approval do not include cathodic protection requirements
 - Staff report confirms Sable is in full compliance with FDP
 - Existing cathodic protection is in full compliance with original EIR/EIS project description

Applicants Meet All Requirements for a Change of Operator

- Compliance Plans (§ 25B-10(a)(6)):
 - *“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 current emergency contact information pertaining to Sable.” (PC Findings, pp. 4-5, 8, 11 [emphasis added].)*
- Transition Plans (§ 25B-10(a)(7)):
 - *“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 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.” (PC Findings, pp. 5, 8, 12 [emphasis added].)*

Applicants Meet All Requirements for a Change of Operator

- Emergency Response Plan Drills (§ 25B-10(a)(8)):
 - “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.” (PC Findings, pp. 5, 9.)
 - **On September 18, 2025,** in coordination with the County Fire Department's Office of Emergency Services and other regulatory agencies, **Sable once again conducted a comprehensive emergency response drill** for the SYU and POPCO facilities. (October 2025 Proposed Findings, p. 6.)
 - Related to the pipeline, **Sable conducted a comprehensive training exercise and emergency response drills on July 25, 2024, and again on July 17, 2025,** in accordance with County requirements. (PC Findings, p. 12; October 2025 Proposed Findings, p. 15.)



Sable/PPC performed an onshore emergency response drill with California Department of Fish and Wildlife's Office of Spill Prevention ("OSPR") and Santa Barbara County Fire Department ("SBC Fire") present in July 2024.



Sable performed a federally-monitored emergency response drill with the U.S. Coast Guard ("USCG"), the Bureau of Safety and Environmental Enforcement ("BSEE"), the California State Lands Commission, OSPR and SBC Fire present in September 2024.

Conclusion

- 1) The Draft December Findings rely on irrelevant, extra-jurisdictional rationales and reverse prior determinations without any basis– they do not contain substantial evidence to reverse the Planning Commission’s Operator Capability Finding.
- 2) Draft December Findings make only 1 of 9 required Chapter 25B findings – and do not address any of the required findings for Change of Owner and Change of Guarantor.
- 3) Regardless, Sable has met all Chapter 25B requirements.
 - Sable management team has decades of safe oil and gas operations
 - Sable is committed to a state-of-the-art pipeline
 - Sable’s extensive insurance and cash reserves exceed requirements

Request of the Board of Supervisors

- Sable respectfully requests that the Board of Supervisors:
 - Deny the appeals;
 - Determine that the requested Change of Owner, Operator and Guarantor applications are not a “project” and exempt from CEQA;
 - Make the required findings under Santa Barbara County Code Sections 25B-9 and 25B-10; and
 - Approve the Change of Owner, Operator and Guarantor applications.