

Villalobos, David

From: Betsy Denison <wvsnmts@gmail.com>
Sent: Thursday, October 24, 2024 8:04 AM
To: Villalobos, David
Subject: Sable

Categories: Purple Category

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

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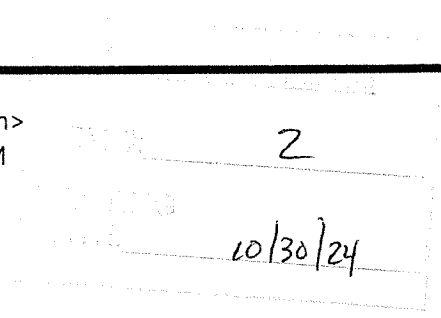
Please please turn down Sable,s effort to reopen pipeline. It could be another disaster for our coastline.

Respectfully submitted, Betsy Denison

—
Betsy Denison
805-450-4304
wvsnmts@gmail.com

Villalobos, David

From: Rachel Altman <raltmansb@gmail.com>
Sent: Wednesday, October 23, 2024 3:53 PM
To: Villalobos, David
Subject: DENY SABLE'S APPLICATION
Categories: Purple Category



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

Dear Commissioners,

I feel strongly that the Commission should refuse to transfer Exxon's permits to Sable.

The spill of this pipeline in Refugio in 2015 released 450,000 gallons of heavy crude oil into the surrounding environment, devastating 150 miles of the California coast. This had a devastating effect on the marine life and biodiversity of that area, as well as negatively affecting our local economy, including tourism, recreation and those who rely on fishing to earn their livings.

The transfer of permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines should be denied, as another spill from these facilities is likely.

Sable has not shown that they have an approved plan to respond to an oil spill. Should a spill happen – in fact, WHEN a spill happens – Sable cannot afford to cover the cost of remediation and the costs will need to be covered by us, as taxpayers. This is unconscionable.

Sable has defied a Notice of Violation issued by the Coastal Commission, continuing work on it facilities with permits. This questionable behavior shows that the Commission cannot trust Sable to behave responsibly with regard to this project.

Please, for the sake of our environment, our economy, and our future, deny the transfer of Exxon's permits to Sable.

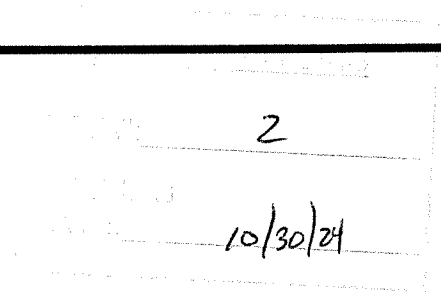
Thank you.

Rachel (Rochelle) Altman
1383 Sycamore Canyon Road
SB, CA 93108

Villalobos, David

From: Carolyn Chaney <cchaney@sfsu.edu>
Sent: Wednesday, October 23, 2024 5:48 PM
To: Villalobos, David
Subject: Sable

Categories: Purple Category



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

I vigorously oppose the transfer of permits from ExxonMobil to Sable Offshore. This is simply another attempt to restart the decrepit pipeline that ruptured and cause so much environmental damage to our coast. Please stand up and say NO.

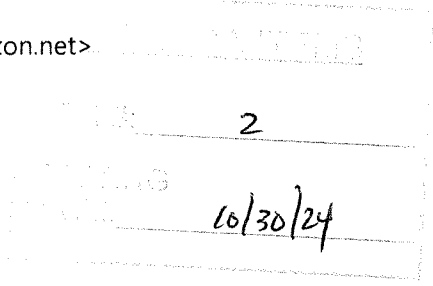
Carolyn Chaney

"Tell me, what do you plan to do with your one wild and precious life?" Mary Oliver

"Of all the paths you take in life, make sure a few of them are dirt." John Muir

Villalobos, David

From: BILL WOODBRIDGE <bill.woodbridge@verizon.net>
Sent: Wednesday, October 23, 2024 5:54 PM
To: Villalobos, David
Subject: Sable application to transfer permits
Categories: Purple Category



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

Planning Commissioners:

- The Planning Commission should deny Sable’s application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.
-
- Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast.
-
- Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill.
-
- The Commission cannot approve the transfer of permits from Exxon to Sable because (contrary to your staff’s report) Sable HAS NOT MET the conditions of the permits. For example, Sable doesn’t have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan).
-
- Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable’s management team shows that the Commission cannot trust them to responsibly operate this project.

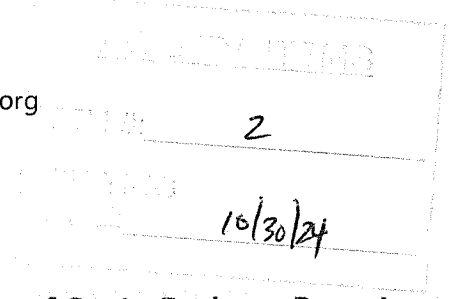
Thanks you for your common sense, logic and efforts to stop this hazardous attempt by Sable.

Bill Woodbridge
Goleta

Villalobos, David

From: stella kovacs <stellakovacs@me.com>
Sent: Wednesday, October 23, 2024 6:49 PM
To: Villalobos, David
Cc: Stella Kovacs; edc@environmentaldefensecenter.org
Subject: Re: Sable/ExxonMobil Hearing 10/30/2024!!

Categories: Purple Category



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

To The Planning Commission Members,

Respectfully I ask you to read Chief Counsel Linda Krop's letter below.

I believe a 6th to 8th grader could read, as well as understand, her rationale and unmitigated concern regarding such a real and potential peril to sea creatures, people who earn a living with, or simply admire sea creatures, and those who enjoy and appreciate our clean waters to swim in with our grandchildren, such as myself. I'm not alone in treasured moments of spending time at or in the ocean. I've seen thousands of other locals as well as international visitors savoring our very special place in this universe, during my 37 years of residency here in Santa Barbara!

Would you be proud of being responsible for seriously endangering our beautiful Santa Barbara coastline, our ocean water, our dolphins, whales, and other sea critters?

Please take a moment to think about closed, greasy, oil-slicked ocean beaches vs an incredibly beautiful, healthy ocean, thoroughly enjoyed by generations of people from all over the world, with dolphins people-watching us nearby!

From Linda Krop:

On May 19, 2015, one of the pipelines that services the Santa Ynez Unit project ruptured at Refugio State Beach Park. The pipeline released 450,000 gallons of heavy crude oil into the surrounding environment, devastating 150 miles of the California coast. Thousands of acres of shoreline and subtidal habitat were destroyed, and an untold number of animals were injured or killed.

Following the spill, the Santa Ynez Unit was shut down and oil and gas production was suspended indefinitely. However, Sable recently purchased the facilities from Exxon and intends to restart oil production using the same corroded pipeline that ruptured in 2015. Unfortunately, if Sable does so, another rupture is all but certain. According to Santa Barbara County's own analysis, we can expect a spill once a year, and a rupture every four years.

However, before Sable can restart the Santa Ynez Unit, it needs the Commission to transfer Exxon's permits.

Importantly, Santa Barbara County's ordinances prohibit the County from transferring these permits unless Sable can show it is financially capable of operating the facilities and remediating a potential spill. Sable is a speculative and undercapitalized entity. The Santa Ynez Unit is its only asset, and the company has no current revenue stream. The company is hundreds of millions of dollars in debt and lacks the necessary insurance coverage and cash on hand to cover the cost of remediating a spill. If a rupture occurs during restart or shortly thereafter, the public will be left paying for it.

Sable must also show that it is in compliance with the conditions of the permits it wants transferred. Among other things, the permits require that Sable prepare an Oil Spill Contingency Plan, that it obtain Certificates of Financial Responsibility, and that its onshore pipelines have effective protection from corrosion. Sable has met none of these conditions.

Lastly, as to operational capacity, the behavior of Sable's management team suggests that, like the prior operator, the County should not trust Sable to responsibly operate the Santa Ynez Unit. For example, Sable recently conducted work on the pipeline in violation of the Coastal Act, and ignored a directive from the Coastal Commission to stop the work and apply for a permit.

Therefore, we are requesting that the Commission refuse to transfer Exxon's permits to Sable.

Sincerely yours,

Stella Kovacs
stellakovacs@me.com

Villalobos, David

From: MALINDA CHOUINARD <Malinda.Chouinard@patagonia.com>
Sent: Wednesday, October 23, 2024 6:53 PM
To: Villalobos, David
Subject: Sable transfer permit? Why?

Categories: Purple Category

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

Dear commissioners,
Please deny this transfer of permit to Sable.
Sable has not shown good faith, nor stable financial support to deal with inevitable oil spills.
It is essential that our taxpayers, and wild landscape not carry the burden of failure.

Sincerely
Yvon Chouinard
Founder Patagonia Works
269 W. Santa Clara St.
Ventura, ca 92001

AGENDA ITEMS	
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Villalobos, David

From: ruth ackerman <dr.ruth1232@gmail.com>
Sent: Wednesday, October 23, 2024 8:07 PM
To: Villalobos, David
Subject: Sable capacity

Categories: Purple Category

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

Please say no to "sable oil" and preserve the integrity of our environment.
Sent from my iPhone

ALBERTO	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: Tina Brenza <drbrenza@gmail.com>
Sent: Wednesday, October 23, 2024 9:34 PM
To: Villalobos, David
Subject: Please deny Sable permits!

Categories: Purple Category

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Deny the transfer of these permits because Sable has not shown it can afford to remediate another oil spill or be trusted to responsibly manage these facilities.

Thank you,
Tina Brenza

Sent from my T-Mobile 5G Device
Get [Outlook for Android](#)

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Villalobos, David

From: jim yarbrough <jyarbro2003@yahoo.com>
Sent: Wednesday, October 23, 2024 10:18 PM
To: Villalobos, David
Subject: Comment, October 30 Planning Commission meeting, Transfer of pipeline and facilities

Categories: Purple Category

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

This is a public comment related to the Planning Commission Meeting of October 30, Item concerning Transfer of pipeline and facilities from ExxonMobil to Sable Offshore Corporation.

Planning Commission should deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline. Sable has not proven it can remediate another oil spill or be a responsible

facilities manager. Like many other people, I was enraged, saddened, and worried over the pollution, and the death and injury to marine life and damage to beaches caused by the 2015 Refugio Oil Spill.

Jim Yarbrough Newbury Park, CA, Ventura County, just a relatively few beaches down coast from Refugio

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Villalobos, David

From: Gregory Sater <satergreg@gmail.com>
Sent: Thursday, October 24, 2024 1:48 PM
To: Villalobos, David
Subject: Re: Comment respectfully requesting DENIAL of any transfer of permits from ExxonMobil to Sable Offshore Corporation

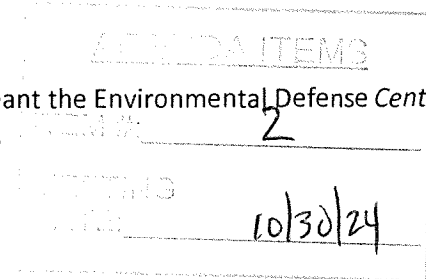
Categories: Purple Category

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P.S.

When I referred to the EDC in my email below for the Commissioners, I meant the Environmental Defense Center, not the Environmental Defense Counsel. The latter word was a typo. Regards,

Gregory Sater



On Wed, Oct 23, 2024 at 11:08 PM Gregory Sater <satergreg@gmail.com> wrote:

As a resident of Santa Barbara, this is my public comment submitted to the Santa Barbara County Planning Commission. Please provide it to each of the Commissioners. I submit this comment in connection with the Commission's consideration, which I understand will occur on or after October 30, 2024, of Sable Offshore Corporation's request to have the permits of ExxonMobil transferred to Sable with regard to the facilities commonly known as the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

I strongly OPPOSE the transfer of any of ExxonMobil's permits to Sable and I respectfully urge the Commission to deny any such transfer.

I would be happy to set forth all the reasons why. I could write you a lengthy email discussing it. However, it's already been done by the Environmental Defense Counsel. Rather than waste your valuable time reiterating points that have been made to you already, I will simply incorporate into this email, by this reference, all the reasons given to the Commission by the EDC for the denial of the transfer of this permit.

That being said, I would like you to know that, personally, I would be greatly affected if there were to be another oil spill along these shores and so I have standing to object.

First, as a taxpayer, I could be materially affected due to the likely significant public cleanup costs following one or more oil spills by Sable.

Second, and much more importantly, I could be seriously affected psychologically, emotionally, recreationally, and physically by such a spill.

I moved to Santa Barbara County specifically for the clean beaches here and for the fun beach and water sports that one can enjoy here in proximity to and in the clean water, and, for me as a nature lover, also for the wildlife I knew I would

get to see on a regular basis both out in the Channel Islands and here onshore: wildlife that is in great peril everywhere else but is "holding on" right here in Santa Barbara County.

To be more specific about my standing to object and to urge the Commission to vote "no":

I live in Santa Barbara on the Mesa, and in terms of my frequent and ongoing enjoyment of our coastal wildlife "resources," here, I'd like you to know that I go out on Santa Barbara's Condor Express whale watching boat on a regular basis. I see whales in the channel on a regular basis from shore, from that boat, and from Island Packers boats I take from Ventura. This includes endangered whales like the Blue Whale, Fin Whale, and Humpbacks, as well as other whales that, after making progress, now sadly are in decline again, like the Gray Whale which, as you may know, "hugs the coastline" during its migration. I see Orcas and Minke Whales and several different kinds of dolphins. For example, within a few feet of shore, from East Beach, Leadbetter, Hendry's, Refugio, and Gaviota, I have seen a particular family of Coastal Bottlenose Dolphins several times. That is a dolphin whose total population is estimated now to be only about six hundred. Why? Because they live close to shore so they are vulnerable to pollution. I've seen an Orca from shore, here, within the surf line, sharks, and more Long-Beaked Common Dolphins than I can count. Also sea lions, seals, fish of all kinds, velella velellas.

Not only do I get enjoyment from seeing these species, I get enjoyment from talking to others who enjoy seeing them. When I'm on the boats that go out, and when I'm onshore, I meet people who have come here from all over the world to see our beaches and, if they like nature, to see the teeming wildlife in our channel. For me, not to mention the wildlife, it would be devastating for there to be an oil spill here.

Also, I am a birder. That means that I, along with hundreds of others from Santa Barbara Audubon, often go birding at numerous coastal locations from Santa Barbara to Gaviota. North American bird populations have crashed in my lifetime alone (I'm only 57) by an estimated 80% to 90% percent due to our impacts on their habitat. We need to protect the habitat of the last remaining birds, including the thousands that migrate for thousands of miles a year and then, exhausted, make a life-preserving stop right here in Santa Barbara, very close to shore, if not on the beaches themselves. Not just shorebirds like sandpipers, plovers, terns, skimmers, and gulls, but raptors like Ospreys and "tree birds" who land at the coast either to rest during migration or to feed. The same goes for our year-round resident birds. Due to human development, there are not many birding "hot spots" left intact in California, and we are very fortunate to have several right here, all coastal.

Our wildlife here, from whales to birds, already at risk of other oil leaks over time from other sources and facing a myriad of other threats to their survival, simply cannot afford an oil spill by Sable. Neither can the residents of the County, like me, who appreciate seeing that wildlife.

I also have standing to object to this and urge the Commission to vote "no" because I myself am in the water here on a regular basis. Oil contains carcinogens, if I'm not mistaken, and so an oil spill would not be healthy for me or anyone else here who likes to go into the water. How many people in this County swim in it, surf in it, windsurf in it, paddle board in, sail in it, etc.

Whether you receive one comment opposed to Sable's request or a thousand, it's not just those who commented who would be devastated by another spill in this area. It's *everyone* here.

The visceral trauma that residents of our County would experience from seeing another oil spill here would be inestimable and the political repercussions would be formidable: if such a tragedy were to happen, every County resident would know, or soon enough would be told, exactly who had voted to make that oil spill feasible, and who had voted "no" to try to prevent it from ever happening in the first place. It is within this Commission's power to do the right thing and say "no." Let us learn from our past ecological mistakes and not repeat them.

Respectfully submitted,

Gregory J. Sater
1315 San Rafael Ave.
Santa Barbara, CA 93109
Tel. (310) 991-6361

Villalobos, David

From: Kevin Snow <haybarn@cox.net>
Sent: Thursday, October 24, 2024 4:14 AM
To: Villalobos, David
Subject: Sable permit denial

Categories: Purple Category

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

Please honor prior decisions and disastrous experience with this project and DENY the permit!

Kevin Snow
Sent from my iPhone

RECEIVED ITEMS	
QUANTITY	2
RECEIVED DATE	10/30/24

Villalobos, David

From: Cheryl Tomchin <ctomchin@gmail.com>
Sent: Thursday, October 24, 2024 7:30 AM
To: Villalobos, David
Subject: Sable Offshore Corp

Categories: Purple Category

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

Dear Planning Commission,

It is beyond frustrating to know how much time and effort it takes to constantly be vigilant and on-guard to protect our environment, but unfortunately at every turn there is someone or something trying to undermine what protections have (in this case) already been put into place, it's called greed.

Good people have done good things to help reverse bad outcomes such as the oil spill tens years ago. It's not good enough create a marine sanctuary (as just happened here locally) if we then allow a poorly run, underfunded, and disrespectful of following strict guidelines type of corporation to become another "accident" waiting to happen. Now we must stay vigilant ensure these efforts do protect our air, waters, and wildlife.

Do what needs to be done:
Deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

Sincerely,

Cheryl Tomchin
727 Lilac Drive
Montecito

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Villalobos, David

From: grady zant <gzant8@gmail.com>
Sent: Wednesday, October 23, 2024 9:20 AM
To: Villalobos, David
Subject: Exxon Permits

Categories: Purple Category

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ITEM #:	2
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Caution: This email originated from a source outside of the County of Santa Barbara. Do not click links or open attachments unless you verify the sender and know the content is safe.

Planing Commision,

I'm a concerned local citizen asking that you deny Sable the transfer permits from Exxon Mobil to restart the Santa Ynez Unit, POPCO Gas Plant, and Los Flores Pipelines. As we almost approach the ten year anniversary of the Refugio Oil Spill it disheartens me that these leases havent been killed completely. If approved, we know the question of the next spill is not if, but when? Santa Barbara County's own analysis says that we can expect a spill once a year and a rupture every four - the fact that we are even considering green lighting these proposals is hard to fathom.

The County doesn't deserve to deal with another inevitable spill or rupture especially in this age of climate chaos. On top of that, Sable Energy doesn't seem like a competent company based on the fact that they don't have an approved plan for a oil spill cleanup and have ignored the Coastal Commision when it was discovered that they were working without a permit. Since Sable Energy appears to be in massive debt it seems the public will be left with the bill when the next spill occurs. I am against oil extraction in general but to grant the transfer of permits to a company like Sable would be ludicrous. Please deny these permits.

Thank you,
Grady Zant

Villalobos, David

From: Kristen Russell <kristenrussell2021@gmail.com>
Sent: Tuesday, October 22, 2024 6:48 PM
To: Villalobos, David
Subject: Comment in Opposition of Transferring Ownership from ExxonMobil Corporation to Sable

Categories: Purple Category

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

My name is Kristen Russell; I am a UCSB student and resident of Santa Barbara County, and for reasons described below, I oppose the transfer of permits of the Santa Ynez Unit, Pacific Offshore Pipeline Company, and the Las Flores Pipeline Company from ExxonMobil Corporation to Sable Offshore Corp.

I oppose the transfer of permits because impacts the marine ecosystem from future oil spill. The impacts to public trust resources from future oil spill. Sable is financially unable to cover the cost of cleanup in the event of the next infrastructure failure. Sable has not completed its oil spill remediation program and is therefore not compliant with the terms of its operating permit. The Santa Barbara economy is not dependent on oil and gas extraction and therefore should exacerbate the climate crisis by restarting such a disruptive pipeline.

This issue is important to me because Sable's unstable financial status will result in a spill-remediation falling onto tax payers. I want the tax dollars in my community to go towards better causes. The infrastructure that resulted in the disastrous 2015 spill has not been amended or replaced. A patch on the problem will not keep our community safe.

For the foregoing reasons, I urge the Planning Commission to deny Sable's request for transfer of ownership.

Submitted by: Kristen Russell

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Villalobos, David

From: maxwellkelly@umail.ucsb.edu
Sent: Tuesday, October 22, 2024 6:58 PM
To: Villalobos, David
Subject: Re: Comment in Opposition of Transferring Ownership from ExxonMobil Corporation to Sable

Categories: Purple Category

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

City of Santa Barbara
735 Anacapa Street
Santa Barbara, CA 93101

My name is Maxwell James Kelly, I am a UCSB student, resident of Santa Barbara County, and for reasons described below, I oppose the transfer of permits of Santa Ynez Unit, Pacific Offshore Pipeline Company, and the Las Flores Pipeline System from ExxonMobil Corporation to Sable Offshore Corp.

I oppose the transfer of permits because:

Check Box That Applies

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- Impacts to marine ecosystem from future oil spill

- Impacts to public trust resources from future oil spill

- Sable is financially unable to cover the cost of cleanup

- Sable has not complied with the terms of its operating permit

- Climate Crisis

Explain: The upsides of undergoing this transfer of permits are heavily outweighed by the disastrous environmental and economic costs associated with remediation. The burden of paying for remediation is not accounted for in this permit transfer. This pipeline burst last time because it rusted out, so to renew this pipeline makes absolutely no sense, you can't just replace the one part of a rusted out pipe, all you're doing is moving where the weak part of the line is, it will inevitably burst again given enough time. Not to mention, this does not

benefit our local economy at all, in fact it hurts our local economy which is namely tourism and agriculture, both of which suffer under continuation of this pipeline.

This issue is important to me because I live in Santa Barbara and I am an environmental studies major who believes that our entire country should transition away from fossil fuels, they belong in the ground, not in our ocean and in our air.

For the foregoing reasons, I urge the Planning Commission to deny Sable's request for transfer of ownership.

Submitted by: Maxwell James Kelly

Submit your written comment via email prior to 12:00 p.m. on Monday October 28th to dvillalo@countyofsb.org

October 30, 2024

City of Santa Barbara
735 Anacapa Street
Santa Barbara, CA 93101

AGENDA ITEMS	
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Submitted via email at dvillalo@countyofsb.org

Re: Comment in Opposition of Transferring Ownership from ExxonMobil Corporation to Sable

My name is Lila Werland, I am a UCSB student, resident of Santa Barbara County, and for reasons described below, I oppose the transfer of permits of Santa Ynez Unit, Pacific Offshore Pipeline Company, and the Las Flores Pipeline System from ExxonMobil Corporation to Sable Offshore Corp.

I oppose the transfer of permits because:

Check Box That Applies

- Impacts to marine ecosystem from future oil spill
- Impacts to public trust resources from future oil spill
- Sable is financially unable to cover the cost of cleanup
- Sable has not complied with the terms of its operating permit
- Climate Crisis

Explain:

As explained above, I oppose the transfer of the permits from ExxonMobil to Sable Offshore Corp. I oppose this because of the negative impacts a future oil spill would have on the ecosystem, community, and city. Additionally, Sable is not financially prepared to accommodate any possible spills they might create. Because they already have borrowed money from ExxonMobile to start this project, it shows how they already do not have enough funds from the start. If something were to happen, Sable would not be able to be responsible for the issue, putting the burden on community members and taxpayers. Because this issue would not be

**Submit your written comment via email prior to 12:00 p.m. on Monday October 28th to
dvillalo@countyofsb.org**

helping either of those groups, it doesn't make sense for them to carry the burden if something were to go wrong. Additionally, Sable has not complied with all the terms of its operating permit, as they haven't made a plan for an oil spill. This is more evidence showing how Sable is not ready or willing to provide help if there is a problem, as they don't have the money or a plan. The benefits are much lower than the costs, and the city of Santa Barbara should not allow this transfer of ownership to happen.

This issue is important to me because I am an Environmentalist and an Environmental Studies major at UCSB. I also function under the belief that someone has to hold big companies accountable, as they are not looking out for communities or our taxpayers. .

For the foregoing reasons, I urge the Planning Commission to deny Sable's request for transfer of ownership.

Submitted by Lila Werland

Villalobos, David

From: Thomas Trappler <trappler@yahoo.com>
Sent: Thursday, October 24, 2024 3:37 PM
To: Villalobos, David
Subject: Public comment against transfer to Sable Offshore Corporation

Categories: Purple Category

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

Dear Santa Barbara County Planning Commission,

As a resident of Santa Barbara County, I write to urge you to deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines for the following reasons:

---Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast.

---Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill.

---The Commission cannot approve the transfer of permits from Exxon to Sable because Sable has not met the conditions of the permits. For example, Sable doesn't have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan).

---Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable's management team shows that the Commission cannot trust them to responsibly operate this project.

Thank you for your time and consideration of these comments,
Thomas Trappler

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Villalobos, David

From: Daniela Soleri <soleri@ucsb.edu>
Sent: Thursday, October 24, 2024 2:47 PM
To: Villalobos, David
Subject: October 30 Planning Commission comment on Exxon/Sable

Categories: Purple Category

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

I am writing to urge you to deny transfer of permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines from ExxonMobil to Sable Offshore Corporation. An environmental review regarding transferring these permits has not been conducted and Sable has not shown it can afford to remediate another oil spill or be trusted to responsibly manage these facilities.

Please vote no on transferring these permits!

Respectfully,

--

Daniela Soleri, PhD
she | her | ella
Research Scientist
Geography Department
UC Santa Barbara
[https://urldefense.com/v3/__http://geog.ucsb.edu/*soleri/__;fg!!fs0MJmijOm0!t6WU30KyDQ9tXfR0fPL-xumm7bjbW6nvqlw15vwD251iEKH-kiCla0WVeDmVhwUbVjPMZgKnMca2eJjQd_5F\\$](https://urldefense.com/v3/__http://geog.ucsb.edu/*soleri/__;fg!!fs0MJmijOm0!t6WU30KyDQ9tXfR0fPL-xumm7bjbW6nvqlw15vwD251iEKH-kiCla0WVeDmVhwUbVjPMZgKnMca2eJjQd_5F$)

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: Katie Davis <kdavis2468@gmail.com>
Sent: Thursday, October 24, 2024 2:37 PM
To: Villalobos, David
Subject: October 30 Planning Commission meeting - Agenda #2 Comment
Categories: Purple Category

ITEM #	2
DATE	10/30/24

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

RE: Planning Commission October 30, 2024 Meeting, Agenda #2: Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipeline System Final Development Plan Permits - DENY

Dear Santa Barbara County Planning Commissioners,

In most cases, it makes sense to transfer permits to new owners of facilities in the County and for County Energy Staff to make the best case they can for doing so.

However, this decision is at your discretion for a reason. This particular case is an outlier in which a speculative startup financed by ExxonMobil is seeking to restart facilities that caused a major spill in the past and that the county has determined will spill in the future.

There is a simple question in front of you: If there is another major pipeline spill or other disaster such as a gas explosion or wildfire caused by the POPCO gas plant, do you want ExxonMobil to be liable for damages -- or a speculative startup massively in debt that would easily go bankrupt and disappear?

This is an unusual change of owner request. The oil operation has been shut down for nearly 10 years since a major oil spill in 2015. When operating, ExxonMobil produced 90% of the oil in the Santa Barbara Channel. Plains Pipeline was convicted of failing to maintain lines 901/903 pipeline and causing the oil spill. The pipeline was found to be badly corroded when it was visually inspected. Plains and then ExxonMobil proposed building a new pipeline and trucking the oil in the interim. Both of these plans had too many environmental impacts and were denied or withdrawn. Left with just the corroded and compromised pipeline and a risky re-start and oil operation, ExxonMobil is now attempting to avoid liability for these significant risks by loaning money to a speculative startup venture to take over operations. This is not a normal sale. It is exactly the kind of risky scheme that this approval process was designed to prevent.

You cannot make necessary findings such as **Operator Capability**, e.g., *"The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans..."*

Sable and its principals have a history of noncompliance and of ducking financial responsibility.

Sable has already been caught doing unpermitted work: Sable recently conducted work on the pipeline in violation of the Coastal Act, and ignored a directive from the Coastal Commission to stop the work and apply for a permit. *"Most recently, the California Coastal Commission has repeatedly admonished the company for performing unauthorized work on the pipeline."* LA Times October 14, 2024

Sable principals have a history of bankruptcies and debt: *"Sable CEO James C. Flores hasn't had the best luck with his previous oil endeavors. He served as the chief executive for PXP (Plains Exploration & Production Co.) in the early 2000s...Arizona-based Freeport-McMoRan eventually bought out PXP in 2013 and retained Flores as a CEO. He departed the company in 2016 when Freeport amassed huge amounts of debt under his leadership, a company news release stated. From there, Flores headed Sable Permian Resources, which, according to its Chapter 11 filings, went bankrupt in a hasty three years when oil prices shot down."* (Santa Barbara Independent, May 15, 2024)

Sable does not have the resources to comply with plans, particularly in the event of a spill or other disaster: Sable's assets are net negative with over seven hundred million in debt. Sable, *"Ended the quarter with outstanding debt of \$771.2 million, inclusive of paid-in-kind interest, and cash balance of \$209.1 million."* (Sable Press Release, May 15, 2024) Santa Barbara County Energy Division has questioned their financing too. Errin Briggs, with the Energy Division of County Planning explains, *"Exxon loaned Sable more than 60 percent of the funds needed for the purchase of the unit, "making finances a concern"* (Santa Barbara Independent, May 15, 2024)

This change in ownership has unusual risks: This is a large and complex operation where fracking and other well stimulation will be used, horizontal drilling extending many miles out, wastewater dumping, and other issues make the prospect of restart by a speculative and small company -- which are much more likely to cut corners and make mistakes -- a much riskier enterprise. Some additional concerns include:

- **Outdated infrastructure:** The offshore platforms and associated infrastructure, including the pipelines traversing state waters, are beyond their projected end of life and there have been numerous documented problems with corrosion and leaks. The platforms were slated for decommissioning in 2020 according to the original Development and Production Plans (1982 Plan, pg 28). The platforms' lifespan was to be "approximately 25 to 35 years" and yet it has now been 40 years since oil production began.
- **Uniquely risky and costly location:** The Gulf oil spill has cost BP \$71 billion dollars so far. A similar spill here would be even more devastating and expensive. The Southern California Coastline has the largest population and GDP of any state. The Gaviota ocean ecosystem is unique and a biodiversity hotspot.
- **Environmental justice and climate issues:** According to the ARB, when operating ExxonMobil's onshore operations were the largest facility source of greenhouse gas emissions in Santa Barbara County, as well as many local pollutants that cause cancer, asthma and other health issues. It's in a high fire hazard zone where operations could easily trigger fires or create highly toxic smoke if ignited.
- **Strong and wide-ranging opposition:** Opposition to restart of this operation is broad, and transferring liability to a financially risky, speculative oil company run by someone with a history of bankruptcies makes the situation even worse. During the many hearings about potential restart projects, the County has heard from many constituencies -- the cattle ranchers at Hollister Ranch, the Chumash people who have inhabited the Gaviota coast and our region for thousands of years, the Fearless Grandmas and student groups, the coastal cities, school and water district, business leaders, environmental groups that first emerged from the 1969 oil spill, people from surrounding counties, and even beyond—literally thousands of people have spoken in opposition to restart projects and multiple rallies and protests have been held over the course of several years.

Santa Barbara County should deny ExxonMobil's efforts to avoid liability for a restart.

The County has stood firm in protecting our precious coastline by denying trucking of oil on dangerous roads and denying permits for work on the corroded pipeline. By denying this permit transfer, the County may not be able to stop a dangerous restart, as ExxonMobil could still potentially find some way to contract with Sable to operate the facilities, but the County does have the power to ensure that ExxonMobil is still liable in the event of a disaster.

The Planning Commission should deny this change of owner, operator, guarantor.

Regards,

Katie Davis

Chair, Sierra Club Santa Barbara-Ventura Chapter

Vice-Chair, Sierra Club California

Villalobos, David

From: Anne Heck <nonna724@gmail.com>
Sent: Thursday, October 24, 2024 1:52 PM
To: Villalobos, David
Subject: Sable permits

Categories: Purple Category

AGENDA ITEM	
ITEM #:	2
MEETING DATE:	10/30/24

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

I have a hard time believing that Santa Barbara County is still considering allowing Sable (and Exxon and formerly Plains) to restart the very corroded pipeline and associated off-shore platforms and processing facilities along the Gaviota Coast! Did we not have a strong enough wake-up call in 2015 at the Refugio State Beach?

I urge you in the strongest term to deny these permits!

Sincerely,

Anne Heck

--
Anne G. Heck
592 Rosa Linda Way
Santa Barbara, CA 93111
(805) 692-1969

Villalobos, David

From: Trish Reynales <treynales9@yahoo.com>
Sent: Thursday, October 24, 2024 10:07 AM
To: Villalobos, David
Subject: No Permits for Sable

Categories: Purple Category

<u>AGENDA ITEMS</u>	
ITEM #:	2
MEETING DATE:	10/30/24

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

Dear Planning Commission,

I urge the commission to deny the transfer of permits from ExxonMobil to Sable Offshore Corporation.

Thank you for noting my voice on this matter.

Sincerely,
Trish Reynales

Villalobos, David

From: Kelsey Maloney <kelsey@thewriteteam.net>
Sent: Thursday, October 24, 2024 8:32 AM
To: Villalobos, David
Subject: Please Deny Sable's application

Categories: Purple Category

AGENDA ITEM	
ITEM #:	2
MEETING DATE:	10/30/24

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

Good morning,

I'm writing to express my opposition to Sable's proposal to restart use of the failed oil pipeline. Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast. As a surfer and ocean swimmer, I treasure our clean waters and want to protect our coast from future oil spills. The Refugio oil spill was devastating. I hope you do everything in your power to block any future use of the failed oil pipeline that caused the Refugio oil spill.

Thank you,

--
Kelsey Maloney (she/her)
Grant Writer
805-946-0504

Villalobos, David

From: Katie Davis <kdavis2468@gmail.com>
Sent: Thursday, October 24, 2024 2:45 PM
To: Villalobos, David
Subject: October 30 Planning Commission meeting agenda item #2
Categories: Purple Category

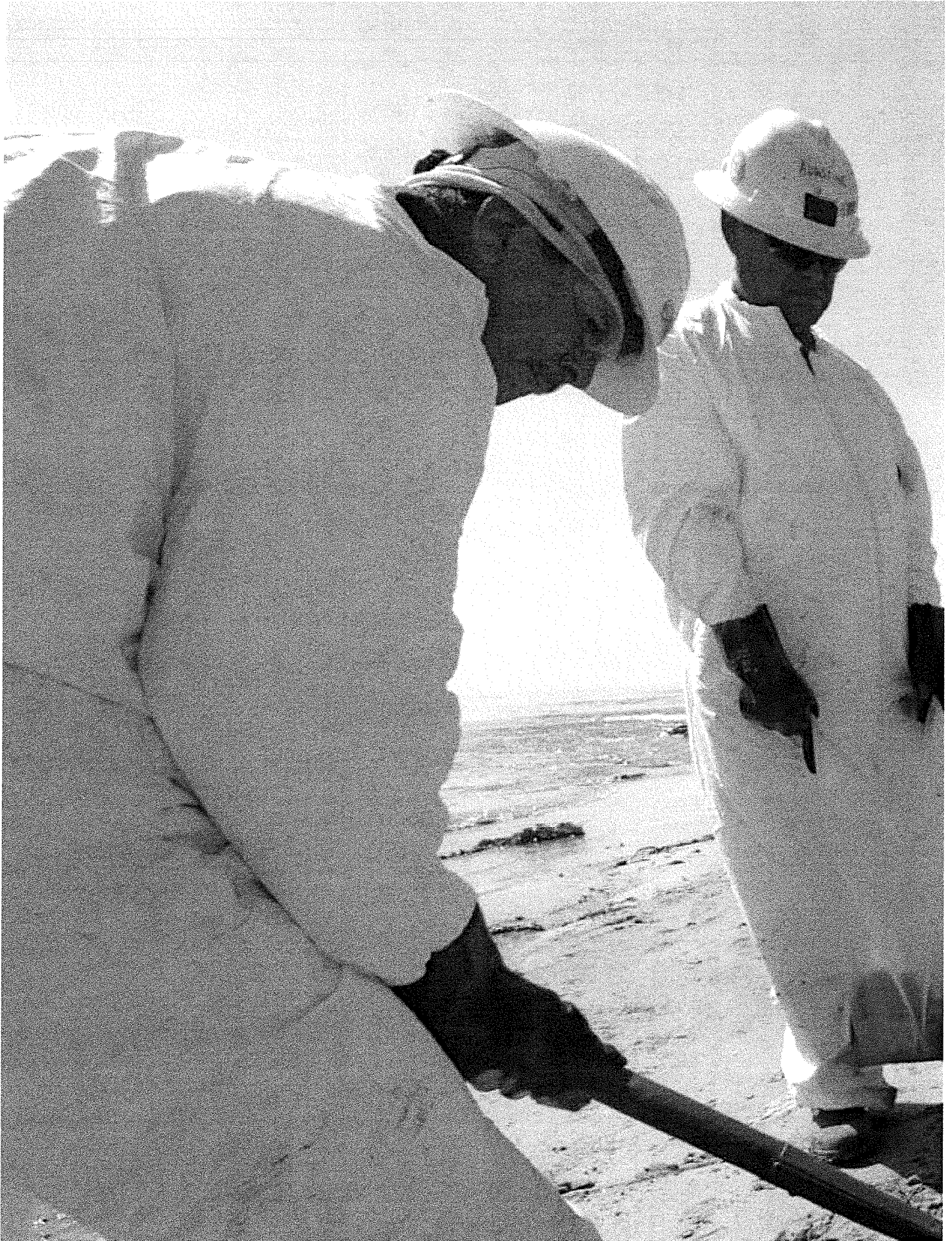
SEARCHED	
SERIALIZED	
INDEXED	
FILED	
DATE:	10/30/24

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

Sharing this story from the front page of the **Sunday, October 20 LA Times** relevant to Agenda #2, Exxon/Sable ownership transfer:

<https://www.latimes.com/environment/story/2024-10-14/coastal-california-oil-pipeline-proposal-sparks-protest>

Nearly 10 years after California oil spill, plan to reactivate pipeline sparks anger



An environmental cleanup crew removes oily sand at Refugio State Beach in Santa Barbara County in May 2015 after a massive spill from a ruptured pipeline.
(Los Angeles Times)

By Tony Briscoe Staff Writer

Oct. 14, 2024 3 AM PT

- [Share](#)
-

Nine years ago, when an aging oil pipeline ruptured near the coast of Santa Barbara County, an inky darkness spread over the waters. The massive slick of oil engulfed and killed hundreds of marine animals, including seals, dolphins and pelicans. And the acrid smell of petroleum polluted the coastline's air.

On May 19, 2015, a corroded section of an oil pipeline burst and released more than 140,000 gallons of oil near Refugio State Beach. The incident — which revived memories of a massive 3-million-gallon spill almost 50 years earlier — sullied some of the state's most pristine beaches and a rare stretch of undeveloped coastline. Oil migrated as far away as Orange County, closing fisheries and costing hundreds of millions of dollars to clean up.

Soon after the spill, Exxon Mobil halted operations at its three offshore oil platforms while Plains All American Pipeline idled the connected pipelines. This year, Sable Offshore Corp., a Houston-based energy company, purchased the mothballed equipment and announced plans to restart oil extraction by the end of the year — including the failed pipeline.



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Most recently, the California Coastal Commission has repeatedly admonished the company for performing unauthorized work on the pipeline in an attempt to ready the equipment for transporting oil. This week, environmentalists carrying homemade signs and a large banner reading "Fight Offshore Drilling" protested at a commission meeting in San Diego.

The potential restart and accelerated pace of construction have heightened fears of another catastrophic oil spill.

Environmental groups contend that federally mandated corrosion protection was not effective on the 30-year-old pipeline, and say it will never perform safely. Also, when Santa Barbara County considered a plan to build a new pipeline, an environmental report estimated that the existing line could suffer a spill every year, and a major rupture every four years. These releases, it concluded, could result in a disaster even larger than the 2015 spill.

“It’s just old and corroded, so it feels like a ticking time bomb to continue letting this infrastructure operate and to restart it after such a severe spill without additional environmental review,” said Julie Teel Simmonds, senior counsel for the Center for Biological Diversity. “It seems too risky to even contemplate.”

In the nine years since the spill, the damaged pipeline was “evacuated, cleaned and preserved with inert nitrogen to maintain a corrosion-free state,” according to Steve Rusch, Sable’s vice president of environmental and regulatory affairs. He said work crews have already started the process of repairing about 100 “anomalies” — areas of corrosion, cracks or other defects — to ensure that the pipeline will be in an “as-new” condition.



CLIMATE & ENVIRONMENT

Some forms of air pollution may prolong postpartum depression, researchers say

Oct. 5, 2024

Residents and environmental groups have complained the permitting process has moved ahead with little to no public involvement and insufficient environmental reviews.

The project still needs to obtain clearance from several regulatory agencies before it can start. Perhaps one of the most pivotal steps is a waiver and approvals from the Office of the State Fire Marshal, which oversees pipeline safety. Thirteen California lawmakers, including state Sen. Monique Limon (D-Santa Barbara), wrote a letter to the California Department of Forestry and Fire Protection to express concerns about the project and ask for more transparency about the decision-making process.

“We understand that OSFM is scheduling a public hearing in mid-October, but we have heard concerns that this could be after a determination of the state waiver, which would allow for the functional restart of the pipeline with no opportunities for public participation,” Limon and others wrote. “We believe it would be helpful to invite public review and comment on the available information before any decision is finalized.”

The Environmental Defense Center, born out of the 1969 oil spill near Santa Barbara, is advocating for the fire marshal to deny the necessary permits.

“Our hope is that the state sees this as a public safety issue as well as a serious environmental threat, and shuts it down,” said Alex Katz, executive director of the organization. “We don’t think there’s any way that this pipeline can be safely operated. It poses an unacceptable risk to our community and we would hope that the fire marshal ultimately denies the state waiver. But it’s hard to weigh in on it without having seen the documents.”

Three oil platforms — the Hondo, Harmony and Heritage — make up the Santa Ynez Unit, several miles offshore in the Santa Barbara Channel. An underwater pipeline carries oil to the Las Flores Canyon processing facility. Then, two pipelines carry oil from the facility to Kern County.



CLIMATE & ENVIRONMENT

Exxon Mobil says advanced recycling is the answer to plastic waste. But is it really?

Sept. 28, 2024

In May 2015, one pipeline ruptured and gushed oil into a culvert under Highway 101 and eventually discharged into the Pacific Ocean. The emergency response was notably delayed as Plains All American reported the hazardous spill several hours after it occurred.

“The beach filled with this really thick — almost pudding-like — black oil,” said Linda Krop, chief counsel of the Environmental Defense Center. “And every lap of the waves would deposit more on the beach. And it was so frustrating to be standing there watching and knowing that nothing was being done.”

A Santa Barbara County Superior Court jury found Plains All American guilty on multiple criminal counts, including the failure to maintain its highly pressurized pipeline — a felony. California also adopted stricter requirements for oil pipelines, including more frequent inspections and automatic shutoff valves to quickly halt oil flow in the event of a rupture.

Exxon Mobil later proposed transporting oil via trucks, a plan that was rejected by Santa Barbara County. Exxon Mobil purchased the Plains All American pipelines in an effort to rebuild and restart them. But it later agreed to sell the Santa Ynez Unit platforms and pipelines to Sable in 2022.

Last November, Sable sued Santa Barbara County for denying its permits to install automatic safety valves, a critical requirement for operations to begin. Facing potential financial losses, the county settled the lawsuit by acknowledging it lacked jurisdiction to decide such permits.

Sable began work installing safety valves and making repairs. When residents and environmental groups noticed, they alerted the California Coastal Commission, which regulates construction in a coastal zone.

Teel Simmonds said activists considered it a victory when the trucking proposal was rejected, but what is being proposed now is more alarming.

“What has reared its head seems even scarier in ways,” she said. “They’re proposing not to build a new pipeline, but instead to restart this failed, corroded system that has already outlived its expected life. This has happened quietly, largely behind closed doors. Many agencies are looking at different angles of this, but it seems that no one has ever had even one public hearing on this restart proposal.”

In September, the coastal commission learned about unpermitted work on the pipeline near the coast. It issued a violation notice on Sept. 27 and warned the company to stop. A week later, passersby reported seeing continued work, prompting the commission to send Sable a cease-and-desist order.

Rusch, the Sable vice president, said the company has removed all crews from the coastal zone. He said the company believes that its repair and maintenance activities are exempt from Coastal Act permitting requirements, and such activities have been conducted on the pipeline under existing permits for the last 35 years.

But the Center for Biological Diversity and the Wishtoyo Foundation sent a letter to the U.S. Department of the Interior threatening to sue if Sable is not required to submit updated development plans for its oil and gas leases.

Environmentalists say that while the crescent-shaped coastline of Refugio State Beach looks clean today, the ecosystem is still recovering.

“Nothing really can remediate damage from oil spills,” Teel Simmonds said. “The costs are seen and unseen. We’re still suffering from the results of spills that happened years ago.”

Villalobos, David

From: Siouxsie Jennett <siouxsie@mambomedia.com>
Sent: Friday, October 25, 2024 11:58 AM
To: Villalobos, David
Subject: PLEASE don't allow drilling on our coastline
Categories: Purple Category

<u>AGENDA ITEMS</u>	
ITEM #:	2
MEETING DATE:	10/30/24

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

Hi David,

I'm writing to you to express our family's strong opposition to allowing drilling on our coastline, and we urge you to deny the transfer of permits to Sable. We have NO confidence that Sable has the capacity, will or funds to address another spill, and that would be beyond devastating for our wildlife, the uniqueness of our coastline, and the habitability of our area.

I appreciate your time and thoughtful consideration.

Best,
Siouxsie



Siouxsie Jennett

CEO
510-910-5735
siouxsie@mambomedia.com
[LinkedIn Profile](#)

Schedule a Meeting:
<https://calendly.com/siouxsiejennett/30min>

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Villalobos, David

From: Sharon Allbright <sharon@giraffeandstaff.com>
Sent: Friday, October 25, 2024 1:57 PM
To: Villalobos, David
Subject: pipe line

Categories: Purple Category

<u>AGENDA ITEMS</u>	
ITEM #:	2
MEETING DATE:	10/30/24

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

To whom it may concern,

I am writing to urge the commission to not give the pipe line care to Sable. They have proven to not be a competent company for the job.

Please protect our precious ocean.

No more oil spills like ten years ago.

Sincerely,

Sharon Allbright

135 Oakmont Ave.

Lompoc, 93236

Villalobos, David

From: John Williams <john@vanguardfilms.com>
Sent: Friday, October 25, 2024 2:05 PM
To: Villalobos, David
Cc: Lacey Williams
Subject: What would Sable have done differently than Exxon in 2015?

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

Categories: Purple Category

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

Would Sable's safety practices have avoided the 2015 Exxon spill?

What would Sable's response be if a similar size leak occurred under their stewardship/ownership?

Sincerely

John Williams

Villalobos, David

From: Mary Turley <sbmermaid1@gmail.com>
Sent: Friday, October 25, 2024 2:41 PM
To: Villalobos, David
Subject: Deny the transfer of permits to Sable - They can't remediate another oil spill or be trusted to responsibly manage these facilities.

Categories: Purple Category

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

To the Santa Barbara County Planning Commission,

I am a long time resident of Santa Barbara County who has witnessed numerous devastating oil spills along our coast. Please deny the transfer of the permits from Exxon to Sable as another spill from this very old pipeline is inevitable and will be devastating.

Sable recently defied a Notice of Violation issued by the Coastal Commission and continued to work on its facilities with a proper permit. This is just one indication of Sable's managements' questionable behavior. It shows you that they cannot be trusted to follow the rules and responsibly operate and manage this project.

Also, they do not have the resources to clean it up, if and when it does spill. The County and residents will have to foot the bill for cleanup.

The Commission cannot approve the transfer from Exxon to Sable as Sable has not met the "Conditions" of the permits, as there is no Oil Spill Contingency Plan.

Please deny this transfer of permits and protect our coastal environment and marine life.

Sincerely,

Mary Turley

SB Resident

<u>AGENDA ITEMS</u>	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: Christiane Schlumberger <c.schlumberger@me.com>
Sent: Friday, October 25, 2024 3:00 PM
To: Villalobos, David
Subject: Oppose Sable permit application

Categories: Purple Category

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

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

Dear Commissioners,

I am writing to oppose the transfer of Exxon's pipeline permit to Sable. The Planning Commission should deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines, for the following reasons:

- Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast. It is not a question of IF there will be another spill, but WHEN.
- Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill.
- The Commission cannot approve the transfer of permits from Exxon to Sable because Sable has not met the conditions of the permits. For example, Sable does not have an Oil Spill Contingency Plan.
- Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable's management team shows that the Commission cannot trust them to responsibly operate this project.

I have lived in Santa Barbara since 1973. While I did not experience the oil spill of 1969, I did experience the devastating 2015 pipeline rupture that caused extensive harm to beloved Refugio State Beach, killed untold quantities of wildlife, and polluted the ocean and coastline all the way to Orange County.

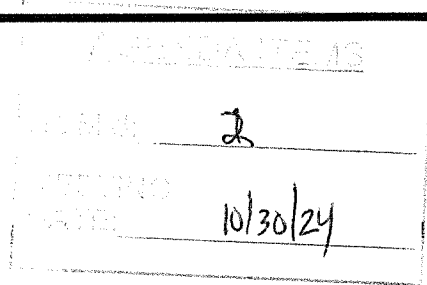
Please deny this permit.

Respectfully,

Christiane Schlumberger
Santa Barbara

Villalobos, David

From: Tana Kincaid <tana@gntnz.com>
Sent: Friday, October 25, 2024 6:48 AM
To: Villalobos, David
Subject: For Oct 30 meeting re: Sable Offshore Corp.
Categories: Purple Category



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

Dear Commissioners,

I urge you to deny Sable’s application to transfer permits from ExxonMobil.

We have to assume the worst, which experience has told us will be the case — there will be a spill on our beautiful coast, with all of its horrible effects.

Sable has not shown they can prevent this.

Sable has not shown that they will follow the rules: they have already defied a Notice of Violation issued by the Coastal Commission, continuing work without a permit. How exactly will the Commission enforce any conditions that are put on Sable?

Sable has not shown that they can pay to clean up a spill when it happens: where is the Certificate of Financial Responsibility?

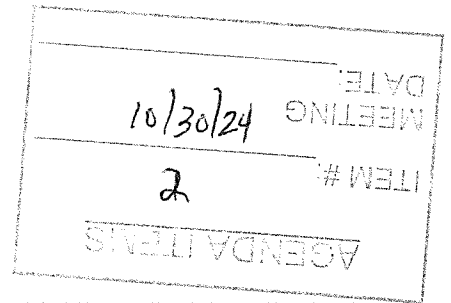
Sable has not shown what they will do if a spill occurs: where is the Oil Spill Contingency Plan? Will it once again be left to me and my fellow volunteers to clean beaches and oil covered animals, and for the Santa Barbara taxpayers to cover the cost of remediation?

It is simply not worth the risk. You have the opportunity to prevent a future disaster. Please deny Sable’s application to transfer permits.

Tana Kincaid
1264 Mountain View Rd
Santa Barbara. CA. 93109

Villalobos, David

From: nikinelli <nikinelli@aol.com>
Sent: Friday, October 25, 2024 11:43 AM
To: Villalobos, David
Subject: Comment on Sable Permit Transfers
Categories: Purple Category



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

Dear Commissioners,

We are requesting that the Commission refuse to transfer Exxon's permits to Sable.

The Planning Commission should deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines. Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast. Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter, and they have not met the conditions of the permits so they don't have an approved plan to respond to an oil spill. The public should not have to pay to clean up another spill. Furthermore, Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable's management team shows that the Commission cannot trust them to responsibly operate this project. The Refugio Beach Oil Spill in 2015 has impacted the fish and wildlife and many recreational uses such as camping and beach visits. The oil spill and the level of impacts on the environment and community cannot be repeated again. As a student of UCSB, I would like the Santa Barbara environment that thousands of students, including me, and community members love, protected, preserved, and available for everyone to enjoy.

Thank you for your attention to this important issue.

Best,

Nicolina Mancinelli

Villalobos, David

From: Jeff Phillips <ljefe00@gmail.com>
Sent: Friday, October 25, 2024 7:26 AM
To: Villalobos, David
Subject: Transferring permits for oil facilities from ExxonMobil to Sable Offshore Corporation

Categories: Purple Category

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

Dear County Planning Commission,

The facilities at question should not be restarted under any conditions, and Sable Offshore is particularly unqualified to operate them. If you hand renewed operation over to this unqualified corporation, you are guaranteeing another spill on our coast, it is just a question of when.

Look, it is plain as day that we are just beyond oil development on the coast of Santa Barbara County. The public values this land and it's precious aesthetic, open space, wildlife and human recreation resources far too much to put it all at risk again for marginal oil nobody needs.

The Refugio oil spill upended my life and that of my family for months on end. I saw first hand the poor seabirds and mammals devastated by that preventable disaster. I saw the workers and volunteers (including me) overwhelmed with exhaustion and sadness as they tried their best to help. I don't ever want to live through that again.

Please don't put our waters, wildlife and way of life at the mercy of another shoddy outdated extractive company that doesn't have the will or resources to prevent a spill or fix it when it inevitable happens.

Sincerely,
Jeff Phillips
447 Alan Road
Santa Barbara, CA 93109

<u>AGENDA ITEMS</u>	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: Justin Ciampaglia <justin.ciampa@gmail.com>
Sent: Thursday, October 24, 2024 8:51 PM
To: Villalobos, David
Subject: Re: The Planning Commission should DENY Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

Categories: Purple Category

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

- The Planning Commission should deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.
- Another spill from these facilities is likely and would be devastating from Santa Barbara County south to San Diego County and Mexico.
- Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill. Especially, in these times of price gouging by fossil fuel companies and when we have abundant sources of fossil fuels on land by businesses with safer track records and the ability to pay for an accident.
- The Commission cannot approve the transfer of permits from Exxon to Sable because Sable has not met the conditions of the permits. For example, Sable doesn't have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan).
- Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable's management team shows that the Commission cannot trust them to responsibly operate this project.

Thank you,

Justin Ciampaglia

<u>AGENDA ITEMS</u>	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: Ravid Raphael <r Raphael@twodancers.net>
Sent: Thursday, October 24, 2024 6:25 PM
To: Villalobos, David
Subject: October 30 Planning Commission Meeting: Comment on Exxon/Sable

Categories: Purple Category

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

Dear Planning Commissioners,

We are very concerned about the proposed restart of the Gaviota coast oil pipeline now owned by Sable Corporation. This significantly corroded pipeline, which already ruptured in 2015, is a disaster waiting to happen. By Sable's own estimate, another oil spill would be even worse than before. Sable is already in debt and does not have the financial resources to deal with another disastrous oil leak. The public must not be left with the cost of cleanup. Sable has also demonstrated that it thinks it is not bound by regulations and has conducted work on the pipeline in violation of the Coastal Act, and ignored a directive from the Coastal Commission to stop the work and apply for a permit. This is not who we want protecting our coastline from a defective pipeline. We urge the Planning Commission to deny Sable's application to transfer Exxon's permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

Sincerely,
Ravid and Arlene Raphael
5546 Berkeley Rd
Goleta

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: Tracey Willfong-Singh <traceysingh50@gmail.com>
Sent: Thursday, October 24, 2024 6:29 PM
To: Villalobos, David
Subject: Sable application

Categories: Purple Category

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

Dear Planning Commission,
Please DENY Sable's application to transfer permits.
Oil spills devastate our waters and coast line.
We should not have to pay for cleanups.
Sable has not met conditions for permits.
They do not have an approved plan to respond to oil spills.
Sable has defied Notice of Violation by Coastal commission.
sable has already shown poor behavior and cannot be trusted.
I love our water and coastline. I don't want oil pipeline hazards.
PLEASE DON'T LET SABLE TRANSFER PERMITS. DONT ALLOW OIL PIPELINES Thank you for showing you care about our environment .
Tracey Willfong
Santa Barbara resident

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: Isabelle Sistek <isabellesistek@ucsb.edu>
Sent: Thursday, October 24, 2024 4:59 PM
To: Villalobos, David
Subject: Comment on Sable Permit Transfers

Categories: Purple Category

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

Dear Commissioners,

I am requesting that the Commission refuse to transfer Exxon’s permits to Sable. Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast. Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill. The Commission cannot approve the transfer of permits from Exxon to Sable because Sable has not met the conditions of the permits. For example, Sable doesn’t have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan). Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable’s management team shows that the Commission cannot trust them to responsibly operate this project.

As a college student, we can’t afford to have another oil spill in Santa Barbara County. We have our whole lives ahead of us, and our species already faces so many threats due to how people before us have disregarded the health of our land. It is essential that projects like this one are not allowed to restart to minimize environmental threats because environmental threats are humanitarian threats. We can not survive without healthy land.

Thank you for your attention to this important issue.

Best,
Izzi Sistek

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

October 25, 2024

Submitted via email to:
PCSecretary@SantaBarbaraCA.gov
dvillalo@co.santa-barbara.ca.us

Commissioner Vincent Martinez, Chair
Santa Barbara County Planning Commission
123 East Anapamu Street
Santa Barbara, CA 93101

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

Re: Affirming my Support for Sable's Owner/Operator Change Application

Dear Commissioners,

Thank you for your time and consideration of Sable's application. I am truly grateful for the opportunity to share my insights and experiences regarding Sable Offshore and its operations with you.

My name is Ted Roche, and I bring a unique perspective as the founder and former CEO of Aqueos Corporation, a full-service marine construction and commercial diving company that I established nearly 25 years ago in Santa Barbara. It is both an honor and a privilege to discuss Sable's significant contributions to our community and environment.

Company Background:

Aqueos Corporation has built a strong reputation in the marine industry by providing essential subsea services to major oil and gas operators, including Sable. Our work spans various regions, including offshore California, the Gulf of Mexico, and select international locations. This diverse experience has granted me a comprehensive understanding of the marine construction sector and the rigorous standards required for safe and environmentally responsible operations.

Personal Connection:

As a native of Santa Barbara, I have deep roots in this community. I graduated from Santa Barbara High School and then from Santa Barbara City College with a Degree in Marine Diving technology. My background as a former commercial abalone diver has instilled in me a profound respect for the ocean and its ecosystems. Additionally, my son is a commercial fisherman operating out of the Santa Barbara Harbor, which keeps me closely connected to our local marine economy. I am also an avid surfer and a proud environmentalist. For me, the ocean is not just a workplace; it is a vital part of my life, both professionally and personally.

Experience with Sable Offshore:

Since graduating from college in 1975, I have been actively involved in commercial diving, working extensively in diverse locations such as the North Sea, South China Sea, Alaska, Mexico, and right here in offshore California, including the Santa Barbara Channel. Aqueos Corporation has been at the forefront of marine operations for several decades, conducting subsea inspections on every offshore platform and subsea pipeline in the Santa Barbara Channel.

Throughout my extensive career, I have had the privilege of working closely with Sable and its senior management team for nearly two decades. This collaboration has afforded me firsthand insight into their unwavering commitment to safety and environmental stewardship. I have personally witnessed their senior management's dedication during various projects, including their ownership

and operation of Plains Exploration and Production (PXP) from 2006 to 2013 and their subsequent ownership and operation of Freeport McMoRan from 2017 to 2022.

Sable stands out among its peers. They do not merely talk about safety and environmental protection — they embody these values in every aspect of their operations. Their approach is characterized by meticulous attention to detail, rigorous inspections, and a strong commitment to properly maintaining all structures and associated appurtenances. I can personally attest that there is no compromising when it comes to safety at Sable.

Current Projects:

We are currently engaged with Sable Offshore at the Santa Ynez Unit, where we are completing crucial subsea inspection work. This includes deploying skilled divers at Platforms Hondo, Harmony, and Heritage and utilizing our Remote Operating Vehicle (ROV) for comprehensive underwater inspections of the intra-field and field-to-shore subsea pipelines. These efforts are essential in ensuring the integrity and safety of the infrastructure that supports our local economy and environment.

Support for the Blue Economy:

I am a strong advocate for the Blue Economy, a concept that emphasizes the sustainable use of ocean resources to foster economic growth, improve livelihoods, and create jobs. Recently, I participated in a panel discussion at Santa Barbara City College, where diverse stakeholders – including representatives from commercial fishing, mineral extraction, renewable energy, aquaculture operations, and maritime transport – came together to explore how we can work collaboratively to promote sustainable practices in our ocean economy.

Sable's operations at the Santa Ynez Unit exemplify how we can balance economic development with environmental responsibility. Their work not only supports local jobs but also significantly contributes to the overall economic vitality of Santa Barbara County. The presence of Sable creates numerous employment opportunities, stimulates local businesses, and generates substantial revenue for our community.

Conclusion:

In closing, I want to reaffirm my strong support for Sable's request to become the Operator of the Santa Ynez Unit. Their commitment to safety, environmental stewardship, and community engagement makes them a valuable partner in our region's future. With Sable Offshore at the helm, I firmly believe we can continue to ensure responsible and sustainable operations that benefit both our economy and the environment.

Sincerely,

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

Ted Roche
Senior Advisor
AQUEOSSUBSEA.COM
SAFETY FIRST. ALWAYS

Villalobos, David

From: Jared Umphress <jaredumphress@ucsb.edu>
Sent: Monday, October 28, 2024 2:13 PM
To: Villalobos, David
Subject: Comment on transfer of pipeline and offshore platforms

Categories: Purple Category

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

Hello,

I'd like to share my comment on this agenda item.

As a UCSB student it was inspiring to learn that here in Santa Barbara the protests against the oil spill in 1969 served as a catalyst to the modern environmental movement. The decommissioning of oil platforms off our coast has been a starting point for the reduction of fossil fuel extraction.

Transferring the permits to Sable would not only pose the risk of another uncontrolled spill, but would also take a step back in the pursuit of climate mitigation. We must not let this regulation avoiding company gain the permits for the sake of their profits.

Best,
Jared Umphress

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: pamelabury <pamelabury@cox.net>
Sent: Monday, October 28, 2024 10:41 AM
To: Villalobos, David
Subject: Deny transfer of permits to Sable Offshore

Categories: Purple Category

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

Dear Planning Commissioners,

As a Santa Barbara resident and native, I have enjoyed our beautiful beaches and ocean all my life. I remember the 1969 and 2015 oil spills and the tragic loss of marine life. Never again!

I strongly urge you to deny the transfer of permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines from ExxonMobil to Sable Offshore Corporation.

ExxonMobil was unable to get approval to restart its oil platforms with a proposal to truck the oil; and, knowing how unsafe the corroded the old Plains All-American pipeline was, Exxon never dared to risk its reputation and incur financial loss, by trying to patch up the pipeline and restart it. Exxon has now "sold" its interest to Sable Offshore, a company without a revenue stream and with no track record. Sable can afford to take a risk with its investors money, and can simply fold in the event of a pipeline blowout and ensuing lawsuits.

Considering the preciousness of our marine resources and inland ecosystems, at a time in history when it is vital that we preserve our increasingly fragile ocean and prevent further extinction of marine and terrestrial species, what do we possibly have to gain by continuing business as usual and approving environmentally damaging projects?

It makes no sense to gamble on a company like Sable Offshore.

Sincerely,

Pamela Bury
Santa Barbara

<u>AGENDA ITEMS</u>	
ITEM #:	<u>2</u>
MEETING DATE:	<u>10/30/24</u>

Villalobos, David

From: Dennis Koski <dmkoski@gmail.com>
Sent: Monday, October 28, 2024 10:46 AM
To: Villalobos, David
Subject: Transfer of pipeline permits from Exxon to Sable

Categories: Purple Category

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

Dear S.B. Planning Commission,

I'm writing to ask you to deny permits to Sable for the operation of the Gaviota pipeline.

- Sable does not have the assets to cover the costs of another spill, which would then be left to Santa Barbara residents to cover the costs.
- They have not met the conditions to qualify for the permits.
- No EIR is being done and no plan has been submitted for their pipeline operations.
- Lastly, Sable has already started work at the site without the requisite permits.

For these reasons, I feel Sable is not a good choice for the pipeline project. As a longtime camper at Refugio Beach State Park for over 40 years, the thought of another spill on her beaches is unacceptable.

Thank you for your time and consideration,

Dennis M. Koski
1132 Carpinteria St.
Santa Barbara, CA 93103
805-729-2499

<u>AGENDA ITEMS</u>	
ITEM #:	<u>2</u>
MEETING DATE:	<u>10/30/24</u>

Villalobos, David

From: elisabeth lamar <elisabethlamar@hotmail.com>
Sent: Monday, October 28, 2024 10:54 AM
To: Villalobos, David
Subject: Deny Sable

Categories: Purple Category

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

The Planning Commission should deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines. Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast. Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill. The Commission cannot approve the transfer of permits from Exxon to Sable because Sable has not met the conditions of the permits. For example, Sable doesn't have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan). Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable's management team shows that the Commission cannot trust them to responsibly operate this project.

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: Clio Salles-Spar <clio_salles-spar@ucsb.edu>
Sent: Monday, October 28, 2024 11:06 AM
To: Villalobos, David
Subject: Comment in Opposition of Transferring Ownership from ExxonMobil Corporation to Sable

Categories: Purple Category

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

Dear Santa Barbara Planning Commission,

My name is Clio Salles-Spar, I am a UCSB student, resident of Santa Barbara County, and for reasons described below, I oppose the transfer of permits of Santa Ynez Unit, Pacific Offshore Pipeline Company, and the Las Flores Pipeline System from ExxonMobil Corporation to Sable Offshore Corp.

I oppose the transfer of permits because:

Check Box That Applies

- Impacts to marine ecosystem from future oil spill
- Impacts to public trust resources from future oil spill
- Sable is financially unable to cover the cost of cleanup
- Sable has not complied with the terms of its operating permit
- Climate Crisis

AGENDA ITEMS	
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The impact of an inevitable oil spill would be devastating and counterproductive to the existing goals of Santa Barbara County. In 2015 a rupture in pipeline 901 caused over 100,000 gallons of oil to spill into Santa Barbara, with 21,000 gallons entering the Pacific Ocean. There was intense measurable damage above the ocean surface and even more immeasurable damage below. Santa Barbara is a county that relies on tourism. After the 2015 spill, beaches and campgrounds were closed to visitors for over a month. Pipeline 901 was built in 1987 and spans 120 miles through Santa Barbara and surrounding areas. When the pipe ruptured in 2015, the pipeline had corroded to 1/16th of an inch. Although Sable has plans to update the pipeline by adding 12 inches to its diameter, it will be impossible to prevent further corrosion. Despite Sable's claims to approach the project safely, we cannot fully trust the company's leadership. They are an underfunded front for Exxon, which wants to reap Sable's short-term profits while dodging future cleanup responsibility. Sables CEO James C. Flores is unreliable. He left his position as CEO at Freeport-McMoRan Oil when the company assumed massive debt. James' leadership also led Sable Permian Resources to file for bankruptcy in 2020. Exxons 60% loan to Sable to restart the Santa Ynez unit should make everyone uneasy about Sable's ability to take financial accountability for an inevitable future spill. Santa Barbara has aims to become carbon neutral by 2035. Allowing Sable to restart the 901 pipeline would be a leap in the wrong direction.

I'm a second-year UCSB student from New York. I chose to study at UCSB because of the prestige and history surrounding our Environmental Studies program. Santa Barbara has a deep history in the national environmental movement stemming from the Oil Spill of 1969. The city has environmental non-profits, building codes, and progressive initiatives which other counties look to as an example of progress. I am proud to be a part of a community that values our unique environment. Seeing the county enable Sable's plans to irresponsibly restart off-shore oil operations would be disappointing and counterproductive for the community.

Best,
Clio Salles-Spar

Villalobos, David

From: Carol Scott <1casart@gmail.com>
Sent: Monday, October 28, 2024 11:15 AM
To: Villalobos, David
Subject: Deny

Categories: Purple Category

AGENDA ITEMS	
ITEM #	2
MEETING DATE	10/30/24

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

Dvillalo@countyofsb

Deny transfer of these permits to reopen facilities on Gaviota coast now!!! stop! You are ruining our beautiful beaches and killing our wild life for what ?Carol in goleta Sent from my iPhone

Villalobos, David

From: Phil A. <far93109@gmail.com>
Sent: Monday, October 28, 2024 11:40 AM
To: Villalobos, David
Subject: Permits to Sable

Categories: Purple Category

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

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

To whom it may concern:

As a resident of Santa Barbara County I urge the Commission to deny the transfer of any permits to Sable. Sable has not shown that it can afford to remediate another oil spill let alone an oil catastrophe in our beautiful channel.

Best regards,

Felipe Rivera

Villalobos, David

From: Nancy <nancynpwork@gmail.com>
Sent: Monday, October 28, 2024 11:43 AM
To: Villalobos, David
Subject: SBCAN's Public Comment Letter - Sable's Application - Oct 30 Hearing

Categories: Purple Category

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

ITEM #:	2
MEETING DATE:	10/30/24

Hello there,

Please see the following message about Sable's lease application from SBCAN:

Santa Barbara County Action Network urges you to join with other organizations such as the Environmental Defense Center (EDC) and community members to deny transferring permits from Exxon to Sable. SBCAN, along with community partners, continues to oppose this offshore oil project. The Planning Commission should deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

We should take every action possible to prevent another spill from these facilities as the consequences would be devastating to Santa Barbara County and the Gaviota Coast. In case that the pipeline ruptures during restart or shortly thereafter, Sable will not be able to afford the costs of remediation, nor does Sable have an approved plan to respond to an oil spill. The public should not have to pay to clean up another spill.

In case of another tragic oil spill, our community will face aesthetic consequences to one of our biggest tourist attractions. The damages of this potential will be irreversible and our economy will suffer along with our biodiversity and our environment.

We hope you will take this preventive measure and protect our coast.

Thank you for the opportunity to provide public comment on this matter.

Sincerely,

Ken Hough, Co-Executive Director

Jeanne Sparks, Co-Executive Director

Nancy Avoce, Assistant Director

Santa Barbara County Action Network (SBCAN)

Villalobos, David

From: Ann Shaw <afanifitafa@hushmail.me>
Sent: Monday, October 28, 2024 11:50 AM
To: Villalobos, David
Subject: Sable Application to transfer permits

ITEM #:	2
MEETING DATE:	10/30/24

Categories: Purple Category

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

To the Planning Commission:

As a member of the Santa Barbara community, I am opposed to the application by Sable to transfer permits for the Santa Ynez Unit, POPCO Gas Plant and Las Flores Pipelines.

I remember well the Refugio spill of 2015 as I had to commute through the area while driving to and from Lompoc. The stench was staggering, and I'm not surprised that the loss of wildlife was devastating.

The chances for another spill are high if the pipeline is reactivated, and we taxpayers will be left to foot the bill.

Please deny approval for this reckless application.

Ann M. Shaw

Villalobos, David

From: John Bury <johnburysb@gmail.com>
Sent: Monday, October 28, 2024 11:52 AM
To: Villalobos, David
Subject: No on Exxon transfer to Sable

Categories: Purple Category

ADDENDUM ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

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

To:
Santa Barbara County Planning commission

Re:
Transfer of Exxon permits to Sable Offshore

I do not support the transfer of permits from Exxon to Sable, as the new company shows no evidence of being reliable operators of the pipeline

Thank you
John Bury
Santa Barbara

Villalobos, David

From: Matthew G. Wallace <mgwallace@hotmail.com>
Sent: Monday, October 28, 2024 11:58 AM
To: Villalobos, David
Subject: ExxonMobil permit transfer to Sable Offshore Corporation
Categories: Purple Category

AGENDA ITEM	
ITEM#	2
MEETING DATE	10/30/24

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

To the Santa Barbara County Planning Commission,

I am writing to urge you to deny Sable Offshore Corporation's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

This company has no financial resources to mitigate another (and likely - given the age of the pipeline and disregard for safety measures) oil spill during restart or immediately afterwards. The public should not have to pay to clean up another spill.

Another oil spill would not only adversely affect the land and ocean resources of the Gaviota coast, but Santa Barbara County's all-important tourist economy.

The Commission cannot approve the transfer of permits from Exxon to Sable because Sable has not met the conditions of the permits. For example, Sable doesn't have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan).

Additionally, Sable recently conducted work on the pipeline in violation of the Coastal Act, and ignored a directive from the Coastal Commission to stop the work and apply for a permit.

These and other reasons warrant a denial of the application to transfer permits.

Thank you for your time and for doing what is best for the citizens under your care.

Yours very truly,

Matthew G. Wallace
P.O. Box 91644
Santa Barbara, CA. 93190-1644

Villalobos, David

From: Paasha Mahdavi <paasha.mahdavi@gmail.com>
Sent: Monday, October 28, 2024 11:59 AM
To: Villalobos, David
Subject: October 30 Planning Commission comment on Exxon/Sable
Categories: Purple Category

10/28/2024
2
10/30/24

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

Dear members of the Santa Barbara County Planning Commission:

I am a resident of Santa Barbara and on the faculty at UCSB, where I teach statistics and energy policy and serve as Director of the Energy Governance and Political Economy Lab, a part of The 2035 Initiative at UCSB. I have nearly two decades of experience in energy policy and have worked extensively with civil society groups on responsible stewardship of energy resources and accelerating the energy transition for oil and gas companies here in California and around the world.

Based on my experience and my assessment of this application, I urge the Santa Barbara County Planning Commission to deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

The reality is this. Beyond the application's inconsistency with the County's Climate Action Plan, approved by County Board of Supervisors in August, it is simply fiscally irresponsible for the county to approve this transfer. Sable has not demonstrated adequate financial or planning resources to be responsible stewards of permits for these assets. In particular, Sable's application does not lay out a plan to properly repair the pipelines to modern standards, nor to cover costs in the event of future spills, nor even an approved contingency plan in the event of a spill.

Given the state of the pipelines today, which have been out-of-service since the 2015 spill, it is not a question of if but when and, worse, how often ruptures will occur. And so the cost will be borne not by Sable but by the County, the State and ultimately the people whom this commission is constitutionally bound to represent.

The transfer of permits to Sable will also not be a job creator for the County. At best, it would result in the continuation of existing employment, but more likely, would result in the loss of employment given Sable's considerably weaker financial position than the current permit holder.

I urge the Planning Commission to deny this application.

Respectfully,
Paasha Mahdavi, Ph.D.
Associate Professor, UC Santa Barbara



ITEM #:	2
MEETING DATE:	10/30/24

October 28, 2024

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

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

Dear Chair Martinez and Honorable Commissioners:

Climate First: Replacing Oil & Gas (CFROG) urges the Commission to deny the transfer of these permits because Sable has not shown it can afford to remediate another oil spill or be trusted to responsibly manage these facilities. CFROG is a Central Coast-based advocacy organization leading a just transition away from fossil fuels to protect our health, economy, and climate.

The ongoing devastation from the 2015 Santa Ynez Unit rupture and oil spill on the Refugio Coast cannot be understated – 450,000 gallons of heavy crude oil contaminating over 150 miles of the California coast, destroying shoreline, habitat, and wildlife. These disasters are an unacceptable consequence for the existential climate crisis. As the fastest-warming region in the lower United States, the reopening of dangerous, polluting, and inefficient fossil fuel infrastructure is unacceptable.

The Planning Commission should deny Sable’s application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines. Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast. Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill. The Commission cannot approve the transfer of permits from Exxon to Sable because Sable has not met the conditions of the permits. For example, Sable doesn’t have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan). Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable’s management team **shows that the Commission cannot trust them to responsibly operate this project.**

With urgency,
Haley Ehlers, Executive Director

Climate First: Replacing Oil & Gas

PO Box 23003, Ventura, CA 93002 (805)263-7408 info@cfrog.org www.cfrog.org



SABLE
OFFSHORE

danos 
PRODUCING CONFIDENCE

SPEC
SERVICES

MILBAR
HYDRO-TEST INCORPORATED

 **FJ-Technology**
Limited

SCS ENGINEERS

Environmental Consultants and Contractors

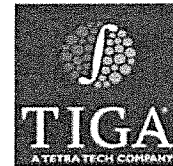
 **lindsey inc.**



REV1 ENERGY
Worldwide Reach, Local Feel



ICGROUP
instrumentation & electrical



CODE RED
SAFETY



PSC GROUP



PACIFIC PIPELINE
COMPANY

Solarcraft



MISTRAS
GROUP, INC.

DOTY BROS.
Construction Company

October 28, 2024

Submitted via email to:

PCSecretary@SantaBarbaraCA.gov

dvillalo@co.santa-barbara.ca.us

Commissioner Vincent Martinez, Chair
Santa Barbara County Planning Commission
123 East Anapamu Street
Santa Barbara, CA 93101

AGENDA ITEM
ITEM #: 2
MEETING DATE: 10/30/24

Re: Support for Sable's Owner/Operator Change Application for the Santa Ynez Unit Restart Project

Dear Chair Martinez and Commissioners,

We the undersigned, as representatives of the 115 employees and over 400 contractors locally employed by Sable Offshore Corp. (Sable) here in the greater Santa Barbara area, **urge you to support Sable's Owner/Operator Change Application for the Santa Ynez Unit assets and Pacific Offshore Pipeline Company (POPCO) facilities.**

When Sable acquired the SYU and POPCO facilities in February of this year, they retained the experienced operations and maintenance staff as well as the local management team. Collectively, each employee brings an average of 20 years' worth of experience and knowledge to the table. This applies to both the safe operation and management of the systems as well as the rigorous compliance requirements that are there to protect both Sable employees and the public.

Sable has also continued relationships with qualified contractors with long-term histories of providing base maintenance and construction, safety services, landscaping, security, material handling and inventory management, third-party testing and inspection services, and required pipeline integrity management.

Not only has this continuity allowed for the seamless transition of assets from one owner and operator to the next, it also shows Sable's commitment to us – the people whose families and livelihoods depend on Sable and the local jobs they provide.

The Sable management team are no strangers to Santa Barbara themselves. The management and executive team have worked together in the Santa Barbara area for more than 20 years. Upon acquiring the systems, they immediately got to work ensuring all employees and contractors received adequate cross training and also to revise their well-established protocols and practices to meet or exceed all applicable local, state and federal regulations. This includes, but is not limited to, established day-to-day operations, emergency response, oil spill response, damage prevention, one-call, pipeline surveillance, field/facility inspections, right-of-way maintenance, records management, and facility security protocols.

The approval of Sable's application is simply the first of many regulatory steps that will need to be taken for Sable to continue providing the good paying jobs we depend on. Sable is exactly the kind of employer that Santa Barba County needs and deserves. One that puts the safety of their workers and their responsibility to the community first. **We thank you for your consideration in reviewing our comment letter and again urge you to approve Sable's Owner/Operator Change Application.**

Sincerely,

Carl Edwards
I/E Commissioning Lead
Rev 1 Energy

Bryan Burkett
Dir. - Fac. Eng. & Const.
Sable Offshore

Gadell LeMaire
Dir. - SCADA, Measurement
& Production Reporting
Sable Offshore

Joaquin Romero
DCS Engineering
Technician
Sable Offshore

Wallace M. Dean
Sable Offshore

Reed Maxson
Project Manager
Rev 1 Energy

Dane Motty
Commissioning Supervisor
Sable Offshore

Curry LeJeune
Senior Commissioning
Operator
Danos

Marcelo Alvarez
Sable Offshore

Haven Simoneaux Production Operator Danos	Adrian Nunez Operator Support Sable Offshore	Shane Cruddas HSE Technician Sable Offshore
Joe Peschier Commissioning Supervisor Danos	Mike Maxey Sable Offshore	Jimmie Holloway Mechanic Danos
Brandon Peschier Commissioning Operator Danos	Cliff Richey Rotating Eq. Manager Rev 1 Energy	Justin Crowell Plant Superintendent Sable Offshore
Terry Tennison Scheduler Sable Offshore	Floyd Prudhomme Production Operator Support Danos	Dale Rydberg Sable Offshore
Ernest George Construction Supervisor Sable Offshore	Charles Roberts Senior Production Operator Sable Offshore	Chad Lehr Senior Operator Danos
Doug Bolingbroke Senior Production Engineer Sable Offshore	Tyler Serafine HSE Technician – Offshore Sable Offshore	Shayne Duplantis Commissioning Operator Danos
Ernest Reveles Sable Offshore	Sean Windbiel Process Controls Advisor Sable Offshore	Carey Crowell Offshore Senior Operator Sable Offshore
Brian Massey Maintenance Forman Sable Offshore	John Hochleutner President Pacific Petroleum California Corp.	Gregory James Construction Foreman Petroleum Service & Consulting
John Duhon Electrician TIGA	Jamika Velazquez HSE Engineer Sable Offshore	Jarvis Littleton HSE Safety Tech Sable Offshore
Jose Hinojos Controls Technician V TIGA	Stephanie Katers Business Administrator Sable Offshore	Jonathan Morello Senior I&E Technician Sable Offshore
Carlos Avelar SYU Corrosion Tech. Sable Offshore	Patrice Surmeier Sr. Regulatory and Compliance Supervisor Sable Offshore	Brian C. Smith Sr. HSE Supervisor Sable Offshore
Brien Vierra President FJ Technologies, Inc.		James Esparza LFC Plant Foreman Sable Offshore

James Thompson
Project Manager
SCS Engineers

Gary Zunkel
Pipeline Hydrostatic Testing
Consultant

Henry Szczur
Sr. Facilities Engineer
Sable Offshore

Eric Burch
Vice President
Milbar Hydro-Test, Inc.

Kevin Pizaño
Plant Operator
Sable Offshore

Omar Estrada
Principal Project Manager
SPEC Services, Inc.

Albert D. Cruz
Commissioning Controls
Lead - Platform Hondo
Sable Offshore

David K. Wolff
Owner, Principal Ecologist
David Wolff Environmental

David Panthagani
Director of Operations
Lindsey Inc.

Karl Schuhknecht
Turnover/Completions
Coordinator
Rev 1 Energy

Greg Williams
General Manager
Mistras Group

Jesse Vera
Lead Sr. Systems Analyst
Industrial Controls Group

Ross Downer
President
Milbar Hydro-Test, Inc.

Derek D'Orsi
Safety Tech / Medic
Code Red Safety

Danny Tran
Finance Director
Lindsey Inc.

Donn Purington
Sable Offshore

William Sarten
Pacific Petroleum Corp.

Lee Mallatt
Controls Engineering
Consultant
Sable Offshore

Merlin Foret
Commissioning Team
Danos

David Guillory
Commissioning
Coordinator
Sable Offshore

Bert Van Schoyck
SYU-Onshore
Sable Offshore

Rose Teague
Sable Offshore

Kyle Macintosh
Sable Offshore

Ronald Venters
Sales Executive
Mistras Group

Andrew Chavez
Construction Forman
Sable Offshore

Steve Shively
Environmental Advisor
Sable Offshore

Mai Lindsey
Principal Consultant
Lindsey Inc.

Andrew Pair
System Analyst
Lindsey Inc.

Scott Pemberton
C. D. Lyon, Inc.

Jesus Hilario
C. D. Lyon, Inc.

Jonathan Beck
C. D. Lyon, Inc.

Jose Rebollar
C. D. Lyon, Inc.

Vicente Robles Jr.
C. D. Lyon, Inc.

Daniel Garcia
C. D. Lyon, Inc.

Josh Esquivel
C. D. Lyon, Inc.

Frank Rocete
C. D. Lyon, Inc.

Derrick Cuevas
C. D. Lyon, Inc.

Daniel Tamayo
C. D. Lyon, Inc.

Peter Sarmiento
Scheduler
Rev 1 Energy

Gordon Duhon
Founder
Petroleum Services &
Consulting

Mike Caldwell
Underground Division
Manager
ARB Inc.

Edwin Ness
Sable Offshore

Joe Herrera
Sable Offshore

Chance E. Alexander
Partner & Operations Lead
Apex Midstream Inspection

Christopher M. Alexander
Partner & Technical Lead
Apex Midstream Inspection

Lucas Bazan
Minority Owner
Apex Midstream Inspection

Trent Fontenot
Director – Operations
Sable Offshore

Russel Holderbaum
Minority Owner
Apex Midstream Inspection

Dennis Stutes
Minority Owner
Apex Midstream Inspection

William Taylor
Minority Owner
Apex Midstream Inspection

John Carlton
Minority Owner
Apex Midstream Inspection

Scott Milbourn
Business Development
Solarcraft

Todd Bermont
VP of Sales
Solarcraft

Garrett Van Dyke
Business Development
Solarcraft

Christopher Gankas
Sable Offshore

Ryan McLeod
Offshore Field Foreman
Sable Offshore

Ted Roche
Senior Advisor
Aqueos Subsea

Todd Blankenship
Senior Estimator/Project
Manager
Doty Bros Construction
Company

Jennifer Belsom
Manager Scheduling
Sable Offshore

Rich Tyler
Director of Pipeline
Operations
Sable Offshore

Jeremy Willett
Manager of Pipeline
Operations
Sable Offshore

Nathan Soderberg,
Manager, ROW and Projects
Sable Offshore

Eli Keener
Maintenance Supervisor
Sable Offshore

Greg Orr
Operations Supervisor
Sable Offshore

Edgar Gallegos
Control Room Supervisor
Sable Offshore



Aspen Helicopters
2899 West 5th Street
Oxnard, CA 93030
Phone: (805) 985-5416
Email: elynn@AspenHelo.com

Santa Barbara County Planning Commission
123 East Anapamu Street
Santa Barbara, CA 93101

October 28, 2024

Dear Santa Barbara County Planning Commission,

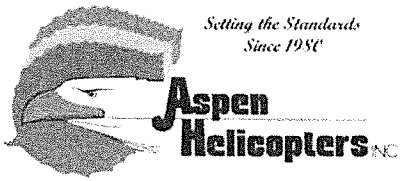
I am the Vice President, Director of Operations and a helicopter pilot at Aspen Helicopters, Inc. located in Oxnard, California. Prior to my job with Aspen Helicopters, I served on active duty as a member of the-U.S. Coast Guard (USCG) for 24 years, flying helicopters and supporting the USCG'S statutory missions. While flying for the USCG I spent eight years flying amongst the oil and gas industry in the Gulf of Mexico and have conducted hundreds of flight operations, to include landings, on various offshore production facilities.

I come before the Planning Commission to share my experience with Sable. During the past 20 months I have conducted multiple flight operations with Sable to the three offshore facilities, Hondo, Harmony and Heritage. Through my observations I have seen Sable's team take a proactive safety approach, always evaluating the condition of the platforms, valuing feedback from the team and making improvements. For example, during initial flight operations to one of the platforms the team noted large tanks located on the south end of the helicopter approach path to land which reduced the available flight path options to and from the helipad. Sable had the tanks relocated to a completely different section of the platform thereby reducing risk involved with flight operations.

Throughout the course of my career I have encountered all manner of helipads in various states of size, cleanliness and general functionality. Hondo, Harmony and Heritage are some of the best helipads I have ever landed on; they are always clean, clearly marked, large landing areas and I have never internally questioned if Hondo, Harmony or Heritage would actually hold a helicopter that weighs 11,900 pounds.

In my role at Aspen I have the opportunity to not only fly the Sable team but to also assign other pilots to fly with Sable. As part of normal post flight communications pilots relay feedback to me regarding the event. Sable has always been a positive customer for the Aspen team to fly. Not only has Sable sought input from me regarding the safety of flight operations, they also speak with each pilot that has flown their team seeking feedback as part of the continuous improvement safety mindset Sable maintains. Sable acts on this feedback and Aspen has witnessed the positive results of Sable's open and transparent approach to safe operations.

The most important aspect of Aspen's interaction with Sable is that Sable doesn't pressure a pilot who delays or declines a flight for safety reasons. The fact that Sable doesn't pressure the pilot to fly indicates Sable's willingness to prioritize safety over production in their operation.



Aspen Helicopters
2899 West 5th Street
Oxnard, CA 93030
Phone: (805) 985-5416
Email: elynn@AspenHelo.com

Sable will be an excellent steward of this operation given the attention to detail and responsiveness demonstrated during Aspen's interactions with Sable's team.

Sincerely,

Evie Lynn



Santa Barbara
CHANNELKEEPER®
714 Bond Avenue
Santa Barbara, CA 93103
805-563-3377

AGENDA
ITEM: 2
MEETING DATE: 10/30/24

October 28, 2024

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

Re: Request for the Planning Commission to DENY Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines

Dear Chair Martinez and Planning Commissioners,

On behalf of Santa Barbara Channelkeeper and our supporters, we urge you to deny the request before the County Planning Commission for the Change of Owner, Operator, and Guarantor for the Santa Ynez Unit (SYU), POPCO Gas Plant, and Las Flores Pipeline System permits from ExxonMobil to Sable Offshore Corporation (Sable).

Santa Barbara Channelkeeper is a local environmental nonprofit organization with the mission to protect and restore the Santa Barbara Channel and its watersheds. We defend our community's right to clean water and inform, inspire, and empower people to speak and act for our waterways.

Channelkeeper is extremely concerned about the hasty steps being taken to restart the same corroded pipeline that ruptured nearly a decade ago, as well as the associated end-of-life platforms and infrastructure. We oppose the transfer of permits for many reasons including: the unacceptable risk of future oil spills from these specific facilities on the Gaviota Coast, the financial uncertainty of Sable, and the defiance shown by the company when they continued working after receiving a Notice of Violation from the California Coastal Commission last month.

We vividly remember the Plains All American Pipeline rupture that spewed more than 120,000 gallons of crude oil along the Gaviota Coast and the devastating impacts that resulted from this failure of corroded and poorly maintained Line 901. Immediately after the spill and for weeks afterwards, Channelkeeper was out on the water in our boat, in the air conducting aerial inspections from planes, and on the beach, documenting the destructive effects of the spill on the shoreline, water, and wildlife as well as the response to the disaster.

Significant impacts to sandy beach habitats, rocky intertidal habitats, benthic subtidal habitats, and fish habitats were documented in the Refugio Beach Oil Spill Final Damage Assessment¹. Hundreds of birds and marine mammals were killed or injured. The numbers tallied in this report underrepresent the actual impact because an unknown number of ailing or dead animals would have sunk in the ocean and not washed up on shore. Additionally, an undocumented number of fish and other marine organisms were impacted by the oil slick that covered over 3,700 acres of shoreline and subtidal habitat.

In addition to these environmental impacts, significant impacts to the community and economy occurred. Refugio State Beach and El Capitan State Beach campgrounds and day use areas were closed for upwards of two months at the beginning of the summer season, important fishing grounds were closed, and lost research, education, and outreach opportunities were documented. Acknowledging these very real and significant impacts that resulted from the 2015 Plains All American Pipeline rupture is relevant because resuming oil production from the Santa Ynez Unit and transporting the oil through the pipelines 901 and 903 (which are now called CA-324 and CA-325) guarantees more oil spills along the Gaviota Coast. In fact, according to the County's own analysis, the failure rate of the existing pipelines 901 and 903 in consideration is five times greater than the average pipeline failure rate due to their current condition. Additionally, the County's analysis shows that a spill from the existing line is expected every year and a rupture every four years. These forecasts are unacceptable, particularly in the Santa Barbara Channel, which is one of the most biologically productive ecosystems found on Earth with unparalleled species density and diversity.

The operation and maintenance of the extensively corroded and poorly maintained pipeline that runs along the Gaviota Coast is in now the hands of a new company that was created with the intention of resuming oil production at the Santa Ynez Unit. It is concerning that the purchase of the pipeline, rigs, and associated facilities was facilitated with money loaned from ExxonMobil, the previous owner of these facilities who, despite several efforts, was unable to bring these them back online over the past several years. The County's own staff expressed concern regarding the applicant's finances regarding the loan totaling more than 60 percent of the purchase². The staff report dated October 22, 2024, cites that Sable has \$112.1 million dollars in cash and cash equivalents. However, according to Sable's second quarter financial report³, the company has outstanding debt totaling \$790.4 million. Based on this report, the company's ability to respond to a major disaster such as an oil spill, seems highly questionable. We are concerned that the transfer of permits to a company with such debt will undoubtedly leave the public shouldering the cost of a disaster cleanup.

Finally, Channelkeeper is concerned about the recent actions of Sable. As you might be aware, Sable was conducting work on the pipeline along the Gaviota Coast within the Coastal Zone in September without the required permits. On September 27, the California Coastal Commission (CCC) sent a Notice of Violation (NOV) letter to the company informing them that the work they were conducting was classified

¹ Refugio Beach Oil Spill Final Damage Assessment and Restoration Plan. June 2021. California Department of Fish and Wildlife. Available at: <https://nrm.dfg.ca.gov/FileHandler.ashx?DocumentID=193144&inline>

² Lovely, Margaux. "Sable Offshore Plans October Start Time for Refugio Pipeline." Santa Barbara Independent, May 15, 2024., <https://www.independent.com/2024/05/15/sable-offshore-plans-october-start-time-for-refugio-pipeline/>.

³ "Sable Offshore Corp. Reports second Quarter 2024 Financial and Operational Results." August 13, 2024., accessed at: <https://sableoffshore.com/news/news-details/2024/Sable-Offshore-Corp.-Reports-Second-Quarter-2024-Financial-and-Operational-Results/default.aspx>.

as “development” as defined by the California Coastal Act and therefore needed a Coastal Development Permit (CDP). Instead of halting their work as required in the NOV, the company continued working. Only after the CCC followed up with a Cease-and-Desist order, did Sable did stop work and finally remove their crews from the Coastal Zone on October 5th.

The Gaviota Coast is comprised of sensitive habitats and the blatant disregard of the laws and policies that are in place to protect these sensitive areas is a great concern to Channelkeeper and others. Sable’s failure to obtain the necessary permits prior to initiating work and then initial indifference for an agency’s NOV, demonstrates an unwillingness to follow important environmental laws that are in place to protect sensitive resources in the special and significant place it is seeking to work and casts doubt that this company is fit to operate facilities that have the potential to cause an environmental disaster.

In conclusion, we urge you to deny Sable’s application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines. Thank you for your consideration of these comments.

Sincerely,

A handwritten signature in cursive script that reads "Molly Troup".

Molly Troup
Science & Program Manager

Villalobos, David

From: Tristan Partridge <tristan.partridge@ucsb.edu>
Sent: Monday, October 28, 2024 12:39 PM
To: Villalobos, David
Subject: Comment re: 'Sable Offshore Corporation' request for transfer of permits 2

Categories: Purple Category

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

FAO the Santa Barbara County Planning Commission

As a resident of Santa Barbara and a UCSB researcher and teacher of environmental justice and global climate change, I ask the Planning Commission to deny the current Sable application to transfer permits previously held by ExxonMobil for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

Any other decision will move the County in exactly the wrong direction: it would not only increase greenhouse gas emissions through increased oil extraction, it will massively increase the risk of further oil leaks and pipeline ruptures.

Several key issues are at stake in this decision:

(1) Both companies are unreliable actors and have a history of obfuscation, a lack of transparency, and a readiness to sue the County when attempts are made at meaningfully regulating their operations.

Our team has documented this in recent research – highlighting the need for stronger enforcement of relevant rules and regulations:

In October 2022, ExxonMobil purchased the Santa Barbara pipelines owned by Plains, including Line 901, also taking over the pending permit applications to install safety valves and build a replacement. Then, only a few weeks later, ExxonMobil announced the sale of all the wells, pipelines (including Line 901), processing facilities and offshore oil platforms that make up its Santa Ynez Unit—all of which have been out of production or use since the Refugio blow-out. This deal is striking not least because it involves up to a \$2 billion loss for the company, but also because assets will be sold to a newly formed merger called Sable Offshore Corporation, in which ExxonMobil holds a 50% share, for a purchase price of \$643 million—most of it (\$623 million) financed by a loan from ExxonMobil.

The founder of Sable Offshore had a previous company—Sable Permian Resources—that filed for Chapter 11 bankruptcy in 2020. Meanwhile the Santa Ynez Unit deal contains a 'reassignment option' which will see ownership revert to ExxonMobil, without cost, if oil production is not successfully restarted by 1 January 2026.

In July 2024, Sable sued the California Department of Fish and Wildlife and the Santa-Barbara based Environmental Defense Center in order to prevent their legally required 'integrated contingency plan' from being released following a Public Records Request—a request made after Sable claimed in a financial document that the 'reasonable worst-case spill volume' for the existing pipelines would be only 42 gallons.

All parties need to be held accountable – and these histories of conflict and bankruptcy are to be taken into account.

(2) Sable Offshore Corporation (Sable) is a recently formed merger/acquisition company formed only to facilitate ExxonMobil's interests in our region: Sable has not posted anything like a sufficient bond to cover oil spills and local landscape, air, and water contamination costs; nor can Sable afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill.

(3) There are further reasons why Sable is an unreliable actor, not to be trusted with the wellbeing of our shared coastline. Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable's management team shows that the Commission cannot rely on them to operate this project with sufficient degrees of care and responsibility.

(4) The Commission cannot approve the transfer of permits from ExxonMobil to Sable because Sable has not met the conditions of the permits. For example, Sable doesn't have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan).

(5) The history of oil extraction shows that the only way to prevent oil spills is to cease extraction operations. Closing oil infrastructure – especially those that have been poorly maintained and which are no operated by companies intent on restarting production as soon as possible, even if that means flaunting or minimizing safety controls and regulations – is the only real option to ensure public health and safety. The alternative, which would allow re-use of the Line 901 pipeline makes another devastating oil spill along our fragile Gaviota coastline a possibility, which is simply not worth the risk.

Thank you for your time and attention.

Sincerely,
Dr. Tristan Partridge

CREW Center for Restorative Environmental Work Girvetz 2309 UC Santa Barbara Santa Barbara, CA 93106

Villalobos, David

From: Will Adams <will@themoosemarketing.com>
Sent: Monday, October 28, 2024 9:35 AM
To: Villalobos, David
Cc: Shantel Rowe
Subject: Please Deny the Permit Transfer from ExxonMobil to Sable

Categories: Purple Category

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

Dear Santa Barbara County Planning Commission,

Nine years after the pipeline ruptured, leaving our precious coastline, wildlife, and community to bear the brunt of one of the largest oil spills in California's history, have we not yet learned our lesson?

It should be an obvious choice to deny offshore drilling again, especially without environmental reviews. Regardless of whether Sable has the resources, experience, or anything else to manage these operations (and it's debatable whether they even have these credentials). Our community doesn't need another round of drilling along our coastline—plain and simple. The risks to wildlife, human health, and our local tourism economy are far too severe and reasons to say a resounding "no."

Please make the choice to protect our coast, our environment, and our community's future. Deny this transfer and let's keep our shoreline safe and set an example for all of California.

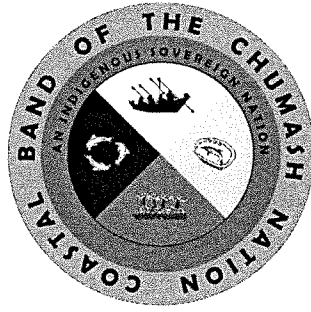
Thank you for listening.

Sincerely,

Will & Shantel Adams | Founders
info@themoosemarketing.com
themoosemarketing.com
(805) 552-6955



AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24



October 24, 2024

To Whom It May Concern,

After a comprehensive evaluation of both current and past project management practices, as well as the present state of the facilities and planned future repairs, operations, and maintenance for the Santa Ynez Unit, I am confident that Sable Offshore Corporation has the capability to operate equitably and safely. In line with the 2020 Consent Decree, Sable has implemented a maintenance program since the pipeline's shutdown in 2015. While we still rely on fossil fuels, I believe Sable can effectively manage the Santa Ynez Unit project. We understand that testing is being conducted under the oversight of both federal and California state agencies to ensure compliance with the stringent standards outlined in the Consent Decree.

Furthermore, we have faith that the contracted archaeological firm is adhering to the ethical and legal guidelines necessary for completing this project as part of Cultural Resource Management on our ancestral lands.

These statements reflect my current beliefs and expectations regarding Sable's management.

Sincerely,

Gabriel Dominguez Frausto
Tribal Chairman
805-568-8063

AGENDA ITEMS

ITEM #: 2

MEETING
DATE: 10/30/24

Coastal Band of the Chumash Nation
PO Box 40653, Santa Barbara, CA 93140
Tribal Office 805.568.8063

Villalobos, David

From: Timothy Wilder <Timothy.Wilder@Yardi.Com>
Sent: Monday, October 28, 2024 9:11 AM
To: Villalobos, David
Subject: Sable "Oil and Gass" Pipe-line reboot!

Categories: Purple Category

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

Good Morning Mr. David Villalobos,

I'm going to try to keep this short and sweet! I'm opposed to transferring the permits for restarting the three offshore platforms and two onshore processing facilities. I do support financial growth and development, but this seems like a step backwards with all of the progress we've made in renewable energy. Not to mention, this company barely has an online footprint (try googling them – seriously – it took me a bunch of tries to find an actual website) – so how would they respond to a potential repeat of the Refugio State Beach Park? AND it is said that history repeats itself, so this is inevitable.

If you have any good reasons to transfer the permits, I'd love to hear about them!

Thank you for your time and have a great week!

Tim

661.917.7233

108 Lancaster Place in The Goodland :)

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

WE Watch, P.O Box 830, Solvang CA9 93464



AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

October 28, 2024

TO: Santa Barbara County Planning Commission
FROM: WE Watch Board of Directors
RRE Santa Ynez Unit, POPCO Gas Plant & Las Flores Pipelines

WE Watch opposes issuing a transfer permit to restart Exxon's Santa Ynez Unit, the POPCO Gas Plant and the Las Flores Pipelines, now purchased by Sable. The Refugio Spill was a frightening wake up call for those of us in the Santa Ynez Valley since that dangerous pipeline went right through our Valley.

The financial information obtained by the Environmental Defense Center indicates Sable does not have the capital to remediate spills from existing pipelines, let alone install a needed new pipeline. To approve this permit transfer would be foolhardy, for the County certainly does not have the funds needed to deal with the fallout from such a firm's lack of financial resources.

Villalobos, David

From: Sandra S Mezzio <sandymv@me.com>
Sent: Monday, October 28, 2024 7:08 AM
To: Villalobos, David
Subject: Sable Oil

Categories: Purple Category

<u>AGENDA ITEMS</u>	
ITEM #:	2
MEETING DATE:	10/30/24

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

Hello.

I urge you to vote against the Sable Oil proposal.
I believe if "you can't deal with the consequences, you should NOT do the act."
Sable absolutely has not shown the ability to clean up or even contain a spill.

Until technology is available to quickly and fully respond to a disaster, oil drilling, transport, and/or processing SHOULD NOT be allowed.

Thank you for your consideration in protecting our sensitive wildlife and our beautiful coast.

Respectfully,
Sandra Mezzio

Sent from my iPhone

Villalobos, David

From: Emily Engel <emilyaengel@gmail.com>
Sent: Monday, October 28, 2024 5:35 AM
To: Villalobos, David
Subject: October 30 Planning Commission comment on Exxon/Sable

Categories: Purple Category

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

Dear Santa Barbara County Planning Commission,

I am a Santa Barbara resident (93103), mother of 2 young children who go to school in Montecito and Goleta, and a local environmental advocate.

I am writing to you today to urge you all to deny Sable Offshore Corporation any and all access to ExxonMobil operational and structural permits. Sable Offshore has not demonstrated that it can prevent or remediate another oil spill in our local community. They cannot be trusted to responsibly manage the facilities.

At a time when we in Santa Barbara County must be doing our best to combat climate change by shifting away from fossil fuels toward renewable energy sources, I encourage you all to support local projects that create long-term lasting development that will provide for a stable economy and sustainable future for my children and our entire county.

Thank you for your work on this important issue and for all the work you do on behalf of all of us.

Sincerely,
Emily Engel

914 California Street 93103
805-637-1052

<u>AGENDA ITEMS</u>	
ITEM #:	<u>2</u>
MEETING DATE:	<u>10/30/24</u>

Villalobos, David

From: Janice Keller <jkeller2002@msn.com>
Sent: Sunday, October 27, 2024 9:53 PM
To: Villalobos, David
Subject: Planning Commission Agenda Item for 10/30/24 regarding Sable/ExxonMobil

Categories: Purple Category

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

To Santa Barbara County Planning Commissioners:

Unfortunately, I will be unable to attend the Planning Commission meeting this Wednesday. Through this email, I urge the Commissioners to deny the transfer of the permits because Sable has not shown it can afford to remediate another oil spill or be trusted to responsibly manage these facilities. Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast.

Thank you,

Janice Keller
1604 W. Lemon Pl.
Lompoc, CA 93436
(805) 291-9777

<u>AGENDA ITEMS</u>	
ITEM #:	2
MEETING DATE:	10/30/24

Villalobos, David

From: joanna.tang@lifesci.ucsb.edu
Sent: Sunday, October 27, 2024 8:35 PM
To: Villalobos, David
Subject: Public Comment against transferring permits to Sable

Categories: Purple Category

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

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

Dear Santa Barbara County Planning Commission,

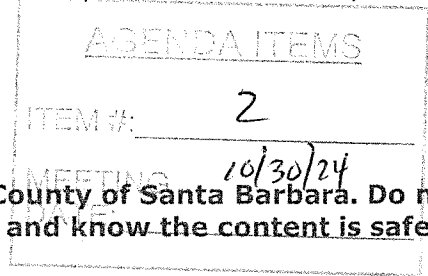
I am writing to voice my concerns over the Planning Commission's consideration of transferring the pipeline, offshore platforms, and onshore processing facilities from ExxonMobil to Sable Offshore Corporation. I urge the Planning Commission to deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines. Transferring the pipeline would endanger our precious coast, which already suffered severe damage after the 2015 pipeline rupture that released 450,000 gallons of heavy crude oil into the surrounding environment, causing the death of wildlife and irreparable damage to marine and terrestrial habitats. Sable has not met the conditions of the permits (e.g., they have no Oil Spill Contingency Plan), cannot afford to cover the cost of remediation if the pipeline ruptures during restart, and recently defied a Notice of Violation issued by the Coastal Commission. This irresponsible behavior shows that Sable is unprepared to take on the risk of operating the Santa Ynez Unit. Restarting the Santa Ynez Unit will put the surrounding ecosystem, wildlife, and humans at risk of another oil spill that ruins water and habitat resources. As Goleta, Santa Barbara County, and California are all making progress toward 100% renewable energies, there is no reason to put our precious ecosystems at risk by restarting a nonrenewable energy operation. Our coast is home to unique species only found in California and provides a safe haven for migrating sealife. It also harbors invaluable cultural resources, including those pertaining to Chumash heritage. I, like so many people in our community, enjoy recreating in the ocean, so the thought of another oil spill sends chills up my spine. Thank you for considering my input as a community member, and thank you for all you do to protect our community and create a safe, beautiful space for our community to thrive in.

Thank you,
Joanna Tang
she/her
PhD, Ecology, Evolution & Marine Biology
University of California, Santa Barbara

Villalobos, David

From: Tatiyana Fakhreddine <tfakhreddine@ucsb.edu>
Sent: Sunday, October 27, 2024 8:24 PM
To: Villalobos, David
Subject: Comment in Opposition of Transferring Ownership from ExxonMobil Corporation to Sable

Categories: Purple Category



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

To the Santa Barbara County Planning Commission,

My name is Tatiyana Fakhreddine, I am a UCSB student, resident of Santa Barbara County, and policy member of Isla Vista Surfrider. For reasons described below, the Isla Vista Surfrider Foundation, opposes the transfer of permits of Santa Ynez Unit, Pacific Offshore Pipeline Company, and the Las Flores Pipeline System from ExxonMobil Corporation to Sable Offshore Corp.

The Surfrider Foundation is opposed to offshore oil drilling and related seismic exploration because:

"Our nation's ocean, waves and beaches are vital recreational, economic, and ecological treasures that will be polluted by an increase in offshore oil drilling. Instead of pursuing transient and environmentally harmful ways to meet America's energy needs, we should seek comprehensive and environmentally sustainable energy solutions, including energy conservation.

Oil spills take place on a consistent basis. Each year, about 880,000 gallons of oil are spilled into the ocean from U.S. offshore oil drilling operations;

The Deepwater Horizon disaster of 2010 released at least 200 million gallons of oil into the Gulf of Mexico, fouling beaches and coastal wetlands; killing birds, fish, and marine mammals; and devastating the recreation and fishing-based coastal economies of the Gulf States;

Nearly 20 years after the Exxon Valdez spill, more than 26,000 gallons of oil still remained in the soil on the shoreline;

Every three to four years a spill of at least 420,000 gallons is expected to occur;

Oil spills can ruin entire ecosystems and can take numerous years to clean up;

Offshore oil drilling has onshore environmental impacts adversely affecting local communities because oil production requires industrial infrastructure on land (e.g., roads, storage tanks, pipelines, processing facilities, and other facilities);

Neither new drilling technology nor advances in drilling technology has made offshore oil drilling environmentally safe;

Between 2006 and 2015 there were 335 oil spills from offshore platforms and 52 oil spills from offshore related pipelines, resulting in 206.5 million gallons of oil released in US waters;

New offshore oil drilling will not significantly reduce America's reliance on foreign oil;

The Surfrider Foundation advocates for the conservation of coastal and ocean resources and the use of renewable energy sources over fossil fuels; and

Conservation measures can save more oil than is available in domestic reserves offshore."

These statements can be found on the Surfrider Foundation website and were approved by the Surfrider Foundation Board of Directors on November 5, 2011.

For the foregoing reasons, Isla Vista Surfrider urges the Planning Commission to deny Sable's request for transfer of ownership.

Submitted by: Tatiyana Fakhreddine

Villalobos, David

From: Jingxuan Gu <jingxuangu@ucsb.edu>
Sent: Sunday, October 27, 2024 7:34 PM
To: Villalobos, David
Subject: Comment in Opposition of Transferring Ownership from ExxonMobil Corporation to Sable

Categories: Purple Category

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

October 30, 2024
City of Santa Barbara
735 Anacapa Street
Santa Barbara, CA 93101

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

My name is Jingxuan Gu, a UCSB student and resident of Santa Barbara County. I am writing to express my strong opposition to the proposed transfer of operational permits from ExxonMobil Corporation to Sable Offshore Corp for the Santa Ynez Unit, Pacific Offshore Pipeline Company, and the Las Flores Pipeline System.

I oppose the permit transfer for the following reasons:

Broad Economic Impacts: The potential economic repercussions of an oil spill are extensive, impacting not only the environment but also vital sectors such as tourism, real estate, and agriculture. These industries form the backbone of Santa Barbara County's economy. Research on previous oil spills like the Deepwater Horizon incident has shown long-lasting effects on local economies, including reduced tourism, lowered housing prices, and disruptions to agricultural productivity.

Environmental and Economic Risks: Studies such as those on the BP Deepwater Horizon oil spill have quantified the extensive natural resource damages and significant impacts on local labor markets, often running into billions of dollars. These damages reflect both direct use of resources and the broader nonuse values that our community cherishes.

Impact on Local Economy: The economic vitality of Santa Barbara County relies heavily on its pristine natural environment to attract tourists and maintain property values. An oil spill could devastate these critical economic drivers, leading to a long-term decline in economic health and community well-being.

Insufficient Financial Guarantees: Sable Offshore's financial capability to manage and mitigate the extensive costs associated with potential spills remains unproven. Without robust financial safeguards, our community remains at undue risk.

Compliance Concerns: There is insufficient evidence that Sable Offshore will comply with rigorous operational and environmental standards, which are crucial to preventing catastrophic events and ensuring the safety of our marine and coastal ecosystems.

This issue matters deeply to me because: the potential for devastating oil spills presents an unacceptable risk, especially when the proposed operator has not demonstrated clear capability to manage such risks effectively. The health of our environment, the safety of our community, and the stability of our local economy are at stake.

For these reasons, I urge the Planning Commission to deny the request by Sable Offshore for the transfer of ownership. Let us prioritize the long-term health of our community and environment over short-term economic interests.

Thank you for considering this critical issue.

Jingxuan Gu

Villalobos, David

From: Nancy Krop <nancy@kroplaw.com>
Sent: Sunday, October 27, 2024 4:14 PM
To: Villalobos, David
Subject: Deny Permits Transfer

Categories: Purple Category

ITEM:	2
MEETING DATE:	10/30/24

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

Dear Santa Barbara Planning Commission,

Please deny the transfer of permits from ExxonMobil to Sable Offshore Corporation.

Sable has not shown it can afford to remediate another oil spill or be trusted to responsibly manage the facilities known as the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

Thank you
Nancy Krop
Sent from my iPhone

Villalobos, David

From: Alison <alisondillemath@yahoo.com>
Sent: Sunday, October 27, 2024 2:20 PM
To: Villalobos, David
Subject: October 30 Planning Commission comment on Exxon/Sable
Categories: Purple Category

LAWRENCE ITEMS	
TEAM #:	2
ESTIMATING DATE:	10/30/24

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

Dear Commissioners,

From my reading and understanding, it does not seem Sable has the capital to remediate any problems if there is a spill and the public will end up footing any bill of a spill.

Please reevaluate Sable's readiness and ability to respond to an unforeseen environmental mishap.

Thank you,
Alison Dillemath
SB resident
805-296-2771

"...but who are you to judge your neighbor?" James 4:12

Villalobos, David

From: Vicky Blum <blumvicky@gmail.com>
Sent: Saturday, October 26, 2024 4:20 PM
To: Villalobos, David
Subject: Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines
Categories: Purple Category

AGENDA ITEMS
ITEM # 2
MEETING DATE: 10/30/24

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

To: The Santa Barbara County Planning Commission:

We urge you to deny Sable’s application to transfer Exxon’s permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

We believe that another spill from these facilities is likely and it’d be devastating to SB County and the Gaviota Coast. Sable can’t afford to pay for the cost of remediation of a ruptured pipeline, and the public shouldn’t have to pay to clean up another spill. Also, Sable hasn’t met the conditions of the permits like an approved plan to respond to an oil spill. Sable can’t be trusted to operate responsibly—recently they defied a Notice of Violation by the California Coastal Commission by continuing to work on its facilities without a permit.

The Refugio Spill was devastating for us; the pipeline released 450,000 gallons of heavy crude oil and damaged 150 miles of California Coast. Thousands of acres of shoreline were destroyed and an untold number of animals were killed. We travel a great deal and we have never been to a place that is more beautiful than our coastline. It’d be a tragedy to jeopardize the Gaviota Coast! We urge you to deny this application.

Respectfully,

Vicky Blum and David Lebell

Villalobos, David

From: Vicki Van Hook <vicki@seacoastyachts.com>
Sent: Saturday, October 26, 2024 9:27 AM
To: Villalobos, David
Subject: Sable please don't do it

Categories: Purple Category

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

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

100% we cannot Sable approve operating the oil pipeline.

For all of the reasons the past ownership FAILED.

These companies do not care about Santa Barbara coastline, nor the wildlife, only money and cost cutting goals that harm us and our future us.

Vicki Van Hook, Co-Owner & Associate Broker
Seacoast Yachts | Santa Barbara
A: 125 Harbor Way #11, Santa Barbara, CA 93109
O: 805.962.8195
E: vicki@seacoastyachts.com
www.seacoastyachts.com

Villalobos, David

From: Susan Shields <shields3033@netscape.net>
Sent: Friday, October 25, 2024 9:29 PM
To: Villalobos, David
Subject: Reject transfer and renewal of oil permit

Categories: Purple Category

AGENDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

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

To the Planning Commission of County of Santa Barbara

The Commission should turn down the application of Sable to obtain transfer of the oil production lease from Exxon. It is clear that Sable is untrustworthy as they have so far failed to fulfill their legal environmental obligations. The possibility of another oil spill cannot be allowed as the devastation from the one that happened already was bad enough and nothing has been done since then to mitigate this hazard. The citizens and natural environment of our county must be protected from further damaging pollution, and it is your responsibility to ensure this protection which is more important than any financial benefit to the county from oil leases.

Susan Shields
3033 Calle Rosales, SB 93105

Villalobos, David

From: marilyn kandus <m.kandus@gmail.com>
Sent: Friday, October 25, 2024 5:53 PM
To: Villalobos, David
Subject: Deny application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

Categories: Purple Category

AGENDA ITEM	
ITEM #:	2
MEETING DATE:	10/30/24

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

- .The Planning Commission should deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

We cannot forget the traumas of the Refugio spill, including the dead and tarred seabirds and the suffering of sea mammals.

Following the spill, the Santa Ynez Unit was shut down and oil and gas production was suspended indefinitely. However, Sable recently purchased the facilities from Exxon and intends to restart oil production using the same corroded pipeline that ruptured in 2015. Unfortunately, if Sable does so, another rupture is all but certain. According to Santa Barbara County's own analysis, we can expect a spill once a year, and a rupture every four years.

- Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast.
- Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill
- The Commission cannot approve the transfer of permits from Exxon to Sable because Sable has not met the conditions of the permits. For example, Sable doesn't have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan).
- Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable's management team shows that the Commission cannot trust them to responsibly operate this project.

Please, deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.!

Sincerely, Mari Kandus
home owner and resident since 1980
751 San Ramon Dr.
Santa Barbara, Ca 93111

October 25, 2024

Submitted via email to:

PCSecretary@SantaBarbaraCA.gov

dvillato@co.santa-barbara.ca.us

AGENDA	
ITEM #	2
DATE	10/30/24

Commissioner Vincent Martinez, Chair
Santa Barbara County Planning Commission
123 East Anapamu Street
Santa Barbara, CA 93101

Re: Supporting Sable's Operator Change Application at Oct. 30 Hearing

Commissioners,

My name is Ryan McLeod. I am a Sable employee and a proud resident of the Central Coast where I have been fortunate enough to attend school, build a family, and pursue a meaningful career.

I am writing to ask you to please approve Sable's application to become the operator of the Santa Ynez Unit and related facilities.

I have been a proud member of the Central Coast since 1996 when I attended and graduated from Cal Poly San Luis Obispo. My wife and I have built a family here and we firmly believe this is one of the most beautiful places in the world. From camping at El Capitan Canyon to enjoying East Beach and the Santa Barbara Zoo, this area simply cannot be beat.

I was lucky enough to gain employment with ExxonMobil in 2009 and have worked my way up to become the Offshore Field Foreman, leading efforts for all three platforms for the Santa Ynez Unit – Hondo, Harmony & Heritage. I have always prided myself on ensuring that safety, compliance and the environment are my top priorities.

When Exxon sold our assets to Sable, like so many former Exxon employees, I chose to work for Sable primarily because we love this area so much. Obviously, there were a lot of unknowns about moving to a new employer.

Would they hold the same standards? Would they support my efforts in ensuring safety and the environment were the top priorities? Would they support hiring locally and be a productive member of this community? All of these questions ran through my head.

And the answer to each of them is a resounding yes!

Now that I have worked for Sable for nearly a year, I can happily tell you they have exceeded my expectations. Not only did they ensure I was employed and kept my position, but they did the same for all my co-workers. More importantly, Sable has clearly demonstrated that they hold the same priorities I have worked so hard for all these years to enshrine in our operations – safety, compliance and the environment.

Additionally, Sable is supporting our community by bringing local jobs back to the Central Coast. We lost a lot of good people when ExxonMobil left, families that were forced to find lower paying jobs or to simply leave this beautiful area. We now have an opportunity to bring those people back, and Sable is providing us with that opportunity.

I take personal pride in the role I play in bringing some of the cleanest and most environmentally friendly oil and gas in the world to market. I love the environment, and nobody more than I would love to live in a world where only clean energy exists. But until we get to a point where that is actually feasible, and while the world still runs on oil and gas, I would rather see that oil and gas come from Sable – where I know it will come from the most highly regulated and most responsible operators in the world!

Integrity means a lot to me, and the people I work with at Sable have just that. I've gone from a number on a corporate list, to a member of a tight nit team. Sable allows us to succeed as employees, and that is what we are asking of you. **Please approve Sable's application so we can give them the chance to succeed as well. They deserve it and frankly so do we as members of this community who will benefit from Sable's responsible operations at the Santa Ynez Unit for years to come.**

Thank you for your time and consideration of Sable's application.

Sincerely,

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

Ryan McLeod
Offshore Field Foreman / PIC
rmcleod@sableoffshore.com



Via E-mail and Certified U.S. Mail, Return Receipt Requested

October 28, 2024

Vincent Martinez (Chair)
5th District
c/o Planning and Development, Hearing
Support
123 East Anapamu Street
Santa Barbara, CA 93101
(805) 568-2000

Laura M. Bridley (Vice Chair)
2nd District
c/o Planning and Development, Hearing
Support
123 East Anapamu Street
Santa Barbara, CA 93101
(805) 896-2153

John Parke
3rd District
c/o Planning and Development, Hearing
Support
123 East Anapamu Street
Santa Barbara, CA 93101
(805) 452-8076
jhparke@icloud.com

Roy Reed
4th District
c/o Planning and Development, Hearing
Support
123 East Anapamu Street
Santa Barbara, CA 93101
(805) 568-2000

Lisa Plowman, Director
County of Santa Barbara Planning &
Development
123 East Anapamu Street
Santa Barbara, CA 93101-2058
lplowman@countyofsb.org
(805) 568-2000

C. Michael Cooney
1st District
c/o Planning and Development, Hearing
Support
123 East Anapamu Street
Santa Barbara, CA 93101
(805) 568-2000

Re: Change of Owner, Operator, and Guarantor for the Santa Ynez Unit, Pacific Offshore Pipeline Company Gas Plant, and Las Flores Pipeline System Final Development Plan Permits; SYU Restart

Director Chair Martinez, Vice-Chair Bridley, Commissioners Cooney, Parke, and Reed, and Director Plowman,

The Center for Biological Diversity requests that the Planning Commission pause and require the owner(s)/operator(s) of the Las Flores Pipeline System obtain a new or revised Development Permit, Conditional Use Permit, and Coastal Development Permit as a condition precedent to any permit Change of Ownership. The County should also complete an environmental review of

a new or modified permit prior to any Santa Ynez Unit (“SYU”) and SYU pipeline system restart.

In light of what’s at stake—the restart of a nine-year idled oil and gas operations including the onshore pipeline system that ruptured disastrously in 2015— the County must step up its oversight of the pipeline restart and pause consideration of the applications to transfer permits until all legal requirements are met and Sable establishes its fitness for the transfer. The existing owners/operators are not in compliance with all permit requirements, Sable has been issued notices of violation from the Coastal Commission, and it has not demonstrated its ability to responsibly restart and operate the SYU. The potential for another spill from this oil and gas infrastructure poses a significant threat to Santa Barbara County and the Gaviota Coast. The environmental and economic impacts of such an event would be catastrophic, affecting not only the environment but local communities and livelihoods.

Should the County continue to consider the pending applications to transfer the permits for the Las Flores Canyon processing facility, POPCO gas plant, and Las Flores Pipeline System (collectively, the Santa Ynez Unit), we urge you to deny them for the reasons explained below.¹

I. The County Has Unfulfilled Due Diligence and Open Government Duties

As an initial matter, the County and state and federal agencies have failed to adequately inform and include the public in this consequential restart project. Open government is a basic tenant of California law and Santa Barbara County has a mandate for open and transparent decisionmaking. The County should locate and provide the public with all permits and other documents used to approve the original pipeline system, this should be on the project webpages. The documents included for example on the page for the permit transfers contains a section titled “Documents” but does not (as far as we have been able to find) include the referenced permit applications or other permit documents, including but not limited to:

- The application for and County Final Development Plan Permit No. 87-DP-32cz (as modified on July 25, 2001 by 87-DP-032cz (RV05) Synergy Project and on February 19, 2003 with 87-DP-032cz (RV06) Offshore Power Cable Repair & Enhancement Project (under which the SYU is permitted according to the project description).
- The application for and County Final Development Plan Permit No. 93-FDP-015 and 74-CP-II (RV1) (under which the POPCO Gas Plant is permitted according to the transfer description).
- The application for and County Final Development Permit No. 88-DPF-033 (RV01)z and 88-CP-60 (RV01) (88-DPF-25cz; 85-DP-66cz; 83-DP-25cz) (under which the pipeline system is permitted according to the project description; all we have been able to locate are the Final Development Plan Conditions as modified in May 2003 and September 19, 2023, which we have been advised may constitute the entirety of the permit). The permit applications are important, because (to provide just one example), the “procedures,

¹ We incorporate by reference our September 24, 2024 Letter to the County, SLC, and CAL FIRE (with references), which is included with our references cited in today’s letter in the following folder: [2024-10-28 County Letter Refs](#). Please let us know if you have any trouble accessing the documents.

operating techniques, design, equipment and other descriptions described by AAPLP in its application to the County 83-DP-25 cz, 83-CP-97 cz, and in subsequent clarifications and additions to that application and the Final Development Plan” are “incorporated herein as permit conditions and shall be required elements of the project.” (Final Development Plan Conditions, Condition A-7).

- Any CEQA and NEPA analyses accompanying the above permitting decisions.
- Any Coastal Development Permits related to the above permitting decisions (if different from the above).

To ensure that Sable can meet the permit and lease conditions, the County and public need to review the original and modified permit applications and permits. We attempted to get copies of any applications and permits, including any Coastal Development Permit (CDP), from the County but learned from County staff that the printed documents are no longer in the County’s files and were never converted to digital format. Although the original CDP is unavailable, the Final Development Plan and Conditional Use Permit for the pipeline system reference what was then a forthcoming CDP 47 times.² It is insufficient to rely on a belief that the CDPs would have contained the same conditions as the Final Development Plan, as advised by staff.³ It is disturbing that the County does not possess and thus cannot have reviewed or verified continued adherence to the original applications and permits for the SYU as due diligence requires.

Full transparency and public participation is particularly critical due to Sable’s publicly announced intention to restart oil and gas operations this quarter. Only with this information will the public be fully informed about, and can the County adequately evaluate, whether the terms of the initial applications and permits have been met by the existing operators, whether new or modified permits are necessary, and whether permit transfers to Sable should even be considered.

II. Transfer of the Santa Ynez Unit Permits to Sable Is Not An Everyday Paperwork Exercise—It Carries Major Implications and Risks

The County would be abdicating its duties if it considered a change of ownership without examining the full implications of Sable’s acquisition and restart of the Santa Ynez Unit. The current plan to somehow rehabilitate and restart a post-failure, post-spill, nine years-idled pipeline system without greater County engagement and oversight is hard to fathom, and its environmental effects must be examined. The Office of the State Fire Marshal and State Lands Commission have also declined to examine the full impacts of restart, as spelled out in our September 24 letter to those agencies and the County. This is even more troubling because restarting the old, unsafe pipeline may well be even more dangerous than constructing a new pipeline.

² Las Flores Pipeline System Final Development Conditions, 88-DP-33 RV01, 88-CP-060 RV01 (88-DPF-25cz; 85-DP-66cz; 83-DP-25cz). December 12, 1988, Modified May 2003 (Modified on September 19, 2023 with the Change of Ownership, Change of Guarantor, and Change of Operator for the Las Flores Pipeline System [Lines 901/903]).

³ October 4, 2024 Email from Jacquelynn Ybarra to Julie Teel Simmonds.

The pipeline system has outlived its intended lifespan, had a major failure, is subject to high rates of corrosion, and lacks effective cathodic protection, a fundamental aspect of its original design and approval. In 1986, Santa Barbara County approved the Celeron/All American Pipeline Project to transport oil from offshore platforms through three counties, with a substantial portion of the pipeline, the onshore processing facilities, and the offshore pipelines in the coastal zone. These decades-old pipelines and facilities put public safety and the sensitive coastal environment at grave risk.

Today, the pipeline system lacks corrosion protections sufficient to meet legal requirements, and thus Sable is seeking a State Waiver from cathodic protection safety measures. Pipelines with cathodic protections and other safety measures designed to minimize the risk of oil spills (not just the amount of spills should they occur) were an integral part of the original pipeline system design, environmental analysis, and ultimate approvals. For example, the 1985 EIR/EIS claimed “[t]he entire pipeline would be protected from corrosion with cathodic protection systems.”⁴ It stated that the cathodic protection system would “prevent the adverse impacts of an oil spill.”⁵ The pipelines were constructed from 1988-91; Line 903 became operational in 1991, and Line 901 in 1994.⁶

The 1985 EIR/EIS for the pipelines only specified a “projected 30-year life of the project.”⁷ Moreover, the original plans for SYU estimated that recovery of the oil and gas reserves SYU “will take place over a period of approximately 25 to 35 years.”⁸ As first production from the Unit began in 1981, production should have ceased by 2016 at the latest. And federal records show that the original oil and gas production estimates have already been exceeded.⁹

The pipeline carried oil from the Santa Ynez Unit for its 30-year anticipated lifespan. Then, in 2015, the Plains All American Pipeline (Line 901) ruptured and spilled what is now believed to be about 450,000 gallons of oil,¹⁰ killing hundreds of birds and mammals and closing fisheries

⁴ Draft EIR/EIS at 2-5; see also, for example *id.* at 2-13, 2-14, 4-106, 4-110 (“Internal corrosion is the largest cause of a spill due to pipeline fault and this is more characteristics of older pipelines which were constructed of different materials and did not have the cathodic protection systems proposed by Celeron/All American and Getty.”).

⁵ Draft EIR/EIS at H-35.

⁶ Revised NOP for Pipeline Replacement Project.

⁷ 1985 EIR/EIS at 2-35.

⁸ *See, e.g.*, Exxon Company, Development and Production Plan Santa Ynez Unit Development, Oct. 1982 at I-2, <https://www.boem.gov/sites/default/files/about-boem/BOEM-Regions/Pacific-Region/DPPs/9C4---1982-10-Platforms-Harmony-Heritage-Hondo---Santa-Ynez-Unit---Development---Production-Plan.pdf>.

⁹ *Id.*; Exxon Company, Development and Production Plan (Cumulative Updates) Santa Ynez Unit Development, Sept. 1987 at I -2, <https://www.boem.gov/sites/default/files/about-boem/BOEM-Regions/Pacific-Region/DPPs/9A3---1987-09-Platforms-Harmony-Heritage-Hondo---Santa-Ynez-Unit-Cumulative-Updates.pdf>; BSEE, Sable Offshore Corp.: Platforms Operated by Sable Offshore Corp., <https://www.bsee.gov/stats-facts/ocs-regions/pacific/pacific-ocs-platforms/exxonmobil>.

¹⁰ Expert Report of Igor Mezic, Ph.D., *Andrews v. Plains All American Pipeline, L.P.*, United States District Court, Central District of California, Case No. 2:15-cv-04113-PSG-JEM, March 29, 2019 (pp. 16-17).

and beaches. Consequently, the three offshore platforms, two processing facilities, and the offshore and onshore pipeline systems have been out of service for nearly a decade.

This rupture was caused in part by progressive external corrosion and ineffective protection against that corrosion.¹¹ The U.S. Department of Transportation’s Pipeline and Hazardous Materials Safety Administration (“PHMSA”) failure investigation report found that the pipeline wall had corroded to 1/16th of an inch before the spill occurred.¹² The PHMSA failure investigation report also stated that “cathodic protections are required under the federal Pipeline Safety Regulations to prevent external corrosion of buried pipelines,” but that cathodic protections failed and were ineffective in preventing the corrosion and rupture of Lines 901/903.

While its predecessors once pursued building replacement pipelines (and even proposed trucking oil on California highways in the interim),¹³ the new owner, Sable, is not pursuing a pipeline replacement project and is instead doubling down on trying to restart the entire SYU operation using already-failed and ever-aging pipelines. Moreover, because of the limited effectiveness of the cathodic protections—corrosion prevention measures—the owner is seeking a State Waiver from that requirement. Sable recently told its investors that it “affirms that initial restart of production from Sable’s [SYU] is expected in fourth quarter 2024.”¹⁴

The draft EIR for the abandoned 901/903 Replacement Pipeline Project¹⁵ is instructive on the risks a restart poses. It estimated that restarting Lines 901/903 (recently renamed CA-324 and CA-325) could result in a spill once a year, and a rupture once every four years even with the “installation of additional valve stations” as proposed.¹⁶ Another recent analysis by Sable indicates that a worst-case spill from this old pipeline could be 41,899 barrels of oil or *over 1.7 million gallons*.¹⁷

As the 1985 EIR/EIS acknowledged, the risk of a spill *more than doubles* as pipelines age from 20 to 40 years.¹⁸ Restarting Lines 901/903 and its connected onshore and offshore infrastructure risks significant harm to our beaches, waterways, air quality,¹⁹ wildlife, Tribal cultural resources,

¹¹ U.S. Department of Transportation, Pipeline and Hazardous Materials Safety Administration Failure Investigation Report, Plains Pipeline, LP, Line 901 Crude Oil Release, May 19, 2015 (May 2016).

¹² *Id.*

¹³ County of Santa Barbara, Planning & Development webpage for 901/903 Replacement Pipeline Project, <https://www.countyofsb.org/3801/901903-Replacement-Pipeline-Project>; County of Santa Barbara, Planning & Development, webpage for ExxonMobil Interim Trucking for SYU Phased Restart, <https://www.countyofsb.org/872/ExxonMobil-Interim-Trucking-for-SYU-Phas> (last visited September 21, 2024).

¹⁴ Sable Offshore Corp., Security and Exchange Commission Form 8-K, Aug. 30, 2024.

¹⁵ County of Santa Barbara, Planning & Development webpage for 901/903 Replacement Pipeline Project, <https://www.countyofsb.org/880/901903-Valve-Upgrade> (last visited September 21, 2024).

¹⁶ Santa Barbara County, Administrative Draft of Draft EIR for Plains Pipeline Replacement Project, at Section 5.6, p. 79.

¹⁷ Sable Offshore Corp., Pacific Pipeline Company Integrated Contingency Plan Las Flores Canyon Core Plan (Apr. 2024) at 14-4.

human health, ecosystems, and coastal economy and is contrary to California's commitment to transition away from fossil fuels and their infrastructure. The County must use the full extent of its authority under the existing permits and under local and state law to ensure that this restart does not harm California's coastal resources and communities.

III. The County Should Pause and Ultimately Deny the Permit Transfer Applications Under Chapter 25B of the County's Code of Ordinances

The County should pause its consideration of the permit transfers until other relevant aspects of the restart project are resolved. These include but are not limited to compliance of the existing owners and operators with the permit terms and conditions, Cal Fire's State Waiver and other restart decisions, the Coastal Commission's coastal development permit decisions, all necessary environmental reviews, required federal permitting and oversight, air and water discharge permits, and financial assurance requirements for the SYU assets (including but not limited to those required for production facilities by AB 1167, Cal. Pub. Res. Code § 3205.8). Ensuring full compliance with all applicable law prior to resumption of operations or permit transfers is particularly important in light of Sable's recent violations of the Coastal Act as laid out in the Coastal Commissions Notices of Violation, discussed below.²⁰ Only once these processes are resolved can the County determine whether Sable will be able to meet any or all of the permit terms and conditions. To do otherwise would be arbitrary and an abuse of discretion.

Importantly, there are several criteria to approve a change of guarantor, owner, or operator under Chapter 25B of the County Code that are unmet here, or that at least raise substantial questions necessitating further scrutiny, including: a) the financial assurances are inadequate to fulfill the SYU asset retirement obligations and the capability of the new operator is unproven; b) Sable has a record of non-compliance with the Coastal Act and existing permit requirements warrant a new or revised development plan; c) the safety audit and Oil Spill Response Plans are not yet finalized/incomplete. Finally, it is imperative that the County's decisions on Change of Ownership and SYU restart be informed by an environmental review under CEQA.

Considering these outstanding issues, the County should pause its decision on the Change of Owner, Guarantor, and Operator for the SYU unless and until these issues are resolved. If the County decides to proceed without awaiting verification of the factors described here and without environmental review under CEQA, then at this stage we strongly recommend that the County deny the Change of Ownership.

a. Financial Guarantees and Operator Capability

The financial guarantees for the SYU are inadequate and therefore Change of Owner, Guarantor, and Operator criteria cannot be fulfilled. Santa Barbara Ordinances Sec. B-9(a)(2), (b)(2) & (e)(1) & 25B-10 (a)(2) all require the adequacy of financial assurances. At present, the County is not requiring any financial assurances for decommissioning SYU and is wishful thinking that

²⁰ See, e.g. California Coastal Commission, Notice of Violation, V-9-24-0152 (Sable Offshore Corporation) (Sept. 27, 2024) (attached).

payment of property taxes without any additional conditions or financial assurances provides sufficient financial guarantees for this massive fossil fuel infrastructure.

The proposed findings that financial guarantee criteria are met must be reversed and reconsidered. Sable has not to our knowledge adequately demonstrated its ability or willingness to fully comply with all applicable laws and permit terms, including but not limited to adequate financial responsibility/sufficient financial guarantees for decommissioning, site remediation, site restoration, oil spill and natural resource damages for offshore and onshore facilities and pipelines.

The Commission must also ensure operator capability. Section 25B-10 (a)(9) does not authorize a transfer until and unless:

The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f. The director shall require relevant records of compliance, and corrective actions taken subsequent to any major incidents for facilities, if any, that are similar in nature to those that are the subject of the permit, as may be necessary to make findings. These records shall be used to provide sufficient assurance that the proposed operator does not reflect a record of non-compliant or unsafe operations systemic in nature for similar facilities to those being considered for operatorship.

Because of the unique circumstances here, the Commission can and should “impose additional conditions on the permit in order to ensure that any insurance or other financial guarantees that were submitted to and relied on by the planning commission as a basis to make any finding required by this chapter are maintained.” Sec. 25B-10(b). Specifically, a permit condition that requires Sable to put in escrow the full amount of decommissioning and restoration costs is warranted here.

Sable Has Not Proven It Can or Will Meet the Permit Terms. Sable has not demonstrated that it can or will be able to fully comply with the terms of the permits at issue. The County has a duty to ensure that the permittee is qualified by probing and requiring evidence of its qualifications. A new permittee must have the ability, track record, and financial resources to maintain, safely operate, and decommission the SYU pipelines and other assets, including the ability to ensure environmental protections, public safety, and full decommissioning and site restoration. The permittee must also be fully capable of responding to emergencies and incidents. Importantly, there are extraordinary circumstances present in restarting the Santa Ynez Unit—including a history of a catastrophic oil spill and infrastructure that has outlived its design life— that heighten the need for careful consideration.

Financial Guarantees Are Insufficient. All of the relevant agencies and the County should be together requiring financial assurances for all of the risks and costs associated with the entire SYU infrastructure. While the public does not have access to all of the information the agencies possess, we are concerned about discrepancies that warrant the County’s attention.

Importantly, Sable’s reported liabilities for decommissioning the Santa Ynez Unit require heightened scrutiny. Sable’s own Securities and Exchange Commission filing expressed “substantial doubt . . . about the Company’s ability to continue as a going concern,”²¹ meaning there is deep uncertainty about its ability to remain solvent. The County’s Staff Report also acknowledges that Sable is currently operating at an accumulated deficit of \$426.6 million dollars. Troublingly, this deficit excludes hundreds of millions of dollars in decommissioning liabilities that Sable appears to have left off its balance sheet. ExxonMobil estimated SYU decommissioning costs (called asset retirement obligations (AROs)) at \$349,138,000 in December 2023.²² A 2020 BSEE-commissioned study estimated decommissioning costs to be even higher, totaling \$471,609,600 for federal infrastructure alone.²³ Yet Sable lists its AROs for SYU at only \$94,174,000, and provides no explanation for this 73 percent reduction in costs from the estimates of its predecessor,²⁴ *see* figure below (emphasis added). This fuzzy math allows Sable to inflate the value of the company on paper and obscure its true financial liabilities, calling into question its ability to decommission SYU.²⁵

²¹ Sable Offshore Corp., Form 10-Q (Aug. 13, 2024),

<https://www.sec.gov/Archives/edgar/data/1831481/000183148124000007/flme-20240630.htm>.

²² ExxonMobil, Santa Ynez Unit (SYU) Combined Financial Statements Exhibit 99.1 (Dec. 31, 2023).

<https://www.sec.gov/Archives/edgar/data/1831481/000119312524083453/d771316dex991.htm>

²³ BSEE, Decommissioning Cost Update for Pacific Outer Continental Shelf Region Facilities Volume 2 (Sept. 2020), <https://www.bsee.gov/sites/bsee.gov/files/vol-2-a-study-for-the-bureau-of-safety-and-environmental-enforcement-bsee-final-9-8-20.pdf>

²⁴ Sable Offshore Corp., Form S-1 Registration Statement at F-2 (Oct. 2024);

<https://d18rn0p25nwr6d.cloudfront.net/CIK-0001831481/fd070160-544a-4660-b5c0-fb2347dafd2e.pdf>

²⁵ See Ted Boettner, et al., Diversified Energy: Business Model Built to Fail Appalachia at 28-30 (April 2022), <https://ohiorivervalleyinstitute.org/wp-content/uploads/2022/04/Diversified-Energy-Report-FINAL-2-min.pdf>

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PART I. FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS (UNAUDITED)
SABLE OFFSHORE CORP.
CONDENSED CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(dollars in thousands)

	<u>Successor</u> <u>June 30,</u> <u>2024</u>	<u>Predecessor</u> <u>December 31,</u> <u>2023</u>
Assets		
Current assets:		
Cash and cash equivalents	\$ 112,069	\$ —
Restricted cash	35,095	—
Materials and supplies	16,578	16,213
Prepaid expenses and other current assets	3,350	—
Total current assets	167,092	16,213
Oil and gas properties (Successful efforts method)		
Oil and gas properties	1,068,322	4,382,289
Less: Accumulated depreciation, depletion and amortization	—	(3,693,325)
Total oil and gas properties - net	1,068,322	688,964
Other, net	5,497	6,404
Total assets	\$1,240,911	\$ 711,581
Liabilities and Stockholders' Equity/Parent Net Investment		
Accounts payable and accrued expenses	\$ 57,651	\$ 5,384
Due to related party, net	—	11,370
Excise tax payable	2,308	—
Other current liabilities	1,300	1,148
Total current liabilities	61,259	17,902
Warrant liabilities	149,473	—
Asset retirement obligations	94,174	349,138
Senior Secured Term Loan including paid-in-kind interest, net	790,377	—
Deferred tax liabilities	19,781	—
Other	3,800	5,520
Total liabilities	1,118,864	372,560

The County should be deeply concerned about this obfuscation; if Sable goes bankrupt or otherwise can't pay for decommissioning, the County will have several abandoned, contaminated sites and expensive clean-up and restoration with which to contend. The serious environmental and fiscal risks of the transfer are strong reason for the County to reject the change of owner, operator, and guarantor. But if the transfer is allowed, the County must protect the interests of its constituents and natural resources by (1) obtaining an accurate estimate of total decommissioning costs for SYU, and (2) requiring Sable to provide financial assurances to cover this total estimated cost prior to approving the transfer.

As you are likely aware, there has been a pervasive problem with fossil fuel companies failing to set aside funds for decommissioning liabilities and leaving idle infrastructure and wells to pollute water and neighborhoods for years.²⁶ The best practice is to ensure that the full amount of decommissioning and restoration costs is put in escrow at the outset of any transfer. This is such

²⁶ Agerton, Mark, et al. Financial liabilities and environmental implications of unplugged wells for the Gulf of Mexico and coastal waters, 8 Nature Energy 536-547 (2023); Ocean Conservancy, Offshore Oil and Gas Decommissioning (2024); Rogers, Greg, Overlooked: Why oil and gas decommissioning liabilities pose overlooked financial stability risk (2023), <https://carbontracker.org/reports/overlooked-why-oil-and-gas-decommissioning-liabilities-pose-overlooked-financial-stability-risk/>, Schuwerk, Rob, It's Closing Time (2020), <https://carbontracker.org/reports/its-closing-time/>.

a significant problem that the California Legislature enacted AB1167—requiring financial assurances of full decommissioning costs of wells and processing facilities upon transfer.

The Commission should condition any transfer on verifying full financial assurances for decommissioning and restoration of the onshore processing facilities and pipeline system as well as the offshore wells, platforms, and pipelines.

Specifically, the Commission should pause and verify Sable’s compliance with AB 1167. This includes notifying the Supervisor at CalGEM of the acquisition and providing financial assurances for full decommissioning costs of all wells and production facilities. Cal. Pub. Res. Code §§ 3202(a) & 3205.8(a)(1). Next, it should verify that Sable has provided supplemental federal financial assurances for the offshore wells and platforms. Finally, to the extent that those financial assurances reveal funding gaps for the entire cost to decommission and restore the Santa Ynez Unit and pipeline system, the Commission can and should condition the Change of Ownership on Sable putting remaining asset retirement obligations in escrow to be used only to for that purpose (with a multiplier factor that accounts for inflation and increasing decommissioning costs).

Sable is newly formed and has a short and questionable track record. The company has a concerning and potentially over-leveraged funding structure. ExxonMobil took a \$2 billion write down for the sale of the SYU assets to Sable.²⁷ Sable is in debt for 97 percent of the purchase to Exxon.²⁸ Flame, which is part of Sable Offshore, has had to disclose to the Securities Exchange Commission that it has material weaknesses in its internal control over financial reporting that put it at liability risk.²⁹ Plus the founder’s last project declared bankruptcy³⁰ and according to news reports had “a balance sheet loaded with debt.”³¹ Creditors raised concerns over the financial decision on executive bonuses amid the bankruptcy.³² The company’s financials should be scrutinized to determine its ability to operate, maintain, and upgrade the SYU infrastructure and its pollution controls for the life of the project and financial assurances for full decommissioning and restoration costs should be secured up front.

The Severe Risks of Restarting the SYU Warrant Additional Permit Conditions. To the extent the County nonetheless considers transferring the permits to Sable, additional permit terms and conditions are necessary to ensure permit performance and environmental protection.

²⁷ McWilliams, Gary, Exxon faces \$2 billion loss on sale of troubled California oil properties, Reuters.com (Nov. 6, 2022) <https://www.reuters.com/business/energy/exxon-faces-2-bln-loss-sale-troubled-california-oil-properties-2022-11-06/>.

²⁸ *Id.*

²⁹ Flame Acquisition Corp, SEC filing 14a (Nov. 10, 2022).

³⁰ Reuters, Sable Permian Resources files for bankruptcy (June 26, 2020), <https://www.reuters.com/article/idUSL4N2E31TQ>.

³¹ Brickley, Peg, West Texas Fracker Sable Permian Files for Bankruptcy Amid Restructuring Talks (Jun. 26, 2020).

³² Peg Brickley, *Sable Permian Heads off Fight Over Executive Bonuses*, Wall Street Journal (December 10, 2020), <https://www.wsj.com/articles/sable-permian-heads-off-fight-over-executive-bonuses-11607639171>.

The County should consider these permit conditions, among others that it deems appropriate: (1) verification of all financial assurances for decommissioning and restoration from all state and federal agencies; (2) proof of an escrow account in which Sable holds funds in the amount of estimates for its asset retirement obligations for the full decommissioning of all offshore and onshore SYU infrastructure—including platforms, wells, pipelines, and processing facilities;³³ and (3) any transfers should ensure that the previous owners/operators commit to predecessor liability for any damage to the environment and for decommissioning and restoration costs for the SYU.

As the County is certainly aware, there are numerous instances where small oil companies acquire oil and gas assets, only to maximize short-term profits on the declining oil fields and then abandon their clean-up responsibilities. They all too often leave behind extensive asset retirement obligations that they fail to fulfill. For example, Venoco and Signal Hill have left massive decommissioning obligations in peril with Platforms Holly, Hogan, and Houchin.³⁴ This problem is also widespread in the Gulf of Mexico, and a federal investigation of federal decommissioning activities revealed severe problems with federal enforcement and oversight. The Government Accountability Office uncovered massive failures of the federal regulators to effectively ensure that oil companies met their offshore decommissioning obligations.³⁵ Consequently, the burden of decommissioning and environmental cleanup too often falls on the government and, ultimately, the taxpayers. All during a time when companies like ExxonMobil celebrated record profits—in 2023 Exxon recorded \$36 billion in earnings, and in 2022, \$55.7 billion.³⁶ This pattern not only poses significant environmental risks, but also threatens to undermine the County’s and state agencies’ responsibilities to the people of Santa Barbara County and the state as a whole.

b. The Assignee Has Been Non-Compliant With Existing Requirements, and the County Should Require New or Modified Permits for Restart

Sable Has Failed to Comply with the Coastal Act and Lacks Key Permits. The Commission cannot reasonably determine that Sable has met existing requirements. Section 25B-10(a)(5) requires that the operator be in compliance with all requirements of the permit, ordinances and any notice of violation. Sable’s recent actions, including defying a Notice of Violation issued by the Coastal Commission by continuing work without the necessary permits, raise serious concerns about their management’s reliability and commitment to regulatory compliance. This

³³ In the alternative, the County should consider a permit condition requiring Sable to establish a decommissioning sinking fund with an initial deposit representing 15 percent of the total estimated cost of decommissioning, followed by monthly deposits in an amount equal to \$0.40 per barrel of oil and gas produced. *See e.g.* State Lands Commission approach with the San Pedro Pipeline https://www.slc.ca.gov/Meeting_Summaries/2010_Documents/08-20-10/Complete_Items/C42.pdf.

³⁴ Richards, Heather, Why Interior could get stuck with the tab for cleaning up oil platforms, E&E News (Apr. 12, 2024), <https://www.eenews.net/articles/why-interior-could-get-stuck-with-the-tab-for-cleaning-up-oil-platforms/>.

³⁵ Government Accountability Office (GAO), GAO-24-106229, Offshore Oil and Gas: Interior Needs to Improve Decommissioning Enforcement and Mitigate Related Risks (Jan. 2024).

³⁶ NYTimes, Oil Giants Pump Their Way to Bumper Profits, (Feb. 2, 2024), available at <https://www.nytimes.com/2024/02/02/business/oil-gas-companies-profits.html>.

behavior demonstrates a disregard for the rules and undermines trust in their ability to responsibly manage this project.

Sable has already been warned that it has violated state law in its pursuit of restart. As noted above, on September 27, 2024, the California Coastal Commission issued a Notice of Violation to Sable for the unauthorized and unlawful development activities along the onshore SYU pipeline system associated with the proposed restart of the Santa Ynez Unit.³⁷ Despite the order to stop work, on October 4, 2024, it appeared that construction activities continued on the pipeline system, including within the coastal zone, without proper oversight or a coastal development permit and despite the Commission's Notice of Violation.³⁸ The construction in the coastal zone, even after the warning to stop, continued in environmentally sensitive habitat area.³⁹ After another warning from the Commission, Sable moved the crews to other parts of the pipeline.⁴⁰ The company's disregard for environmental compliance calls into question its ability to comply with the terms and conditions of these permits.

The restart of SYU requires its owners/operators to obtain a CDP to come into compliance with the Coastal Act. As noted above, while the County cannot locate the original Coastal Development Permits for this pipeline system, such permits were apparently issued and consisted of the same terms as the development plan conditions of approval. The Coastal Act requires a coastal development permit (CDP) for all "development" in the coastal zone.⁴¹ While the Coastal Commission has delegated much of its permitting authority over coastal development to local governments through certified local coastal programs, the Coastal Act specifically requires any developments located on tidelands, submerged lands, public trust lands, or any development which constitutes a major public works project or major energy facility to obtain a CDP directly from the Coastal Commission.⁴² Furthermore, many CDPs issued by local governments remain appealable to the Commission. Finally, should local governments fail to enforce the requirements of the Coastal Act and its certified local coastal program, the Commission is authorized to step in.⁴³ Which, is why here, the Coastal Commission had to take action against Sable's unlawful coastal zone activities when the County declined.

The owners/operators certainly cannot rely on the Coastal Act's exemption for repair and maintenance activities for restart. As clearly articulated in the Coastal Commission's recent Notice of Violation on the limited issue of valve installation, repair and maintenance can only occur absent a CDP if they do not result in an "addition to, or enlargement or expansion of, the object of those repair or maintenance activities" and if they do not pose a "risk of substantial

³⁷ *Id.*

³⁸ Bradshaw, Brady, Letter to California Coastal Commission, (Oct. 7, 2024).

³⁹ Environmental Defense Center, Sable Offshore Corp. ("Sable") Pipeline Repair Work; ESHA and Jurisdictional Waters Preliminary Assessment (Oct. 3, 2024).

⁴⁰ Lovely, Margaux, Construction Crews at Work Near Oil Pipeline in Gaviota After State Orders Sable to Cease Unpermitted Work, Santa Barbara Independent (Oct. 4, 2024), <https://www.independent.com/2024/10/04/construction-crews-at-work-near-oil-pipeline-in-gaviota-after-state-orders-sable-to-cease-unpermitted-work/>.

⁴¹ Pub. Res. Code § 30600.

⁴² Pub. Res. Code §§ 30519, 30601.

⁴³ Pub. Res. Code §§ 30809-11.

adverse environmental impacts,”⁴⁴ which is not the case even just with the valves installation, as the Commission clearly communicated in its Notice of Violation. Santa Barbara County’s Coastal Zoning Ordinance similarly requires a Coastal Development Permit for “[a]ny repair or maintenance to facilities or structures or work located in an environmentally sensitive habitat area,⁴⁵” which the pipeline system indisputably traverses.

These CDP requirements would certainly, then, also apply to the repair, maintenance, and restart of the pipeline system and processing facilities as a whole. At least before it settled its lawsuit with the pipeline owners/operators over the valves installation, the Santa Barbara County Planning Department similarly concluded that any retrofit of the existing onshore pipelines would be considered “outside of regular maintenance and repair activities” and that “discretionary actions to permit restart activities are needed from the California State Fire Marshal, PHMSA, and SB County.”⁴⁶

The Final Development Plan, Conditions of Approval, and existing regulatory restrictions on what repairs and maintenance can be conducted without a CDP all definitively point to the need for a CDP before further work on the pipeline system and its connected infrastructure and their restart. Furthermore, the changed circumstances around Line 901/903 further accentuate the need for the County (and the Commission if the County fails to act) to use its full authority to ensure the restart does not jeopardize California’s coastal ecosystems and communities. The California legislature amended the Coastal Act in 2023 to exclude new and expanded oil and gas development from coverage as coastal-dependent industrial facilities and to require new and expanded fossil fuel developments, including pipelines, to obtain a CDP.⁴⁷ Here, the rehabilitation and restart of Line 901/903 are akin to new or expanded operations, because the pipelines and connected infrastructure have outlived their expected life and sat idle for almost a decade.⁴⁸

Additionally, the air and water pollution permits for the SYU are expired. Sable’s efforts to renew the air permits remain unresolved and are still pending. The restart of the SYU, as the region’s largest air pollution source, should be required to update its air pollution controls to meet best available technology standards.⁴⁹ In the many years since it was built and decade of being idle, the Air Board should require a new, rather than renewed, air pollution permit. Plus, these facilities have a documented history of operational failures and violations, including unauthorized emissions leaks. Additionally, the current Draft Permits rely on outdated data and monitoring protocols. The water pollution permits for the offshore platforms expired on February

⁴⁴ Pub. Res. Code § 30610(d).

⁴⁵ Coastal Zoning Ordinance Appendix C (Repair and Maintenance Activities Requiring a Permit).

⁴⁶ Revised NOP for the Draft Environmental Impact Report / Environmental Impact Assessment for the 901/903 Replacement Pipeline Project at 2-3.

⁴⁷ Pub. Res. Code § 30260(b)(4); see also *id.* at § 30262(b) (repair and maintenance of an existing oil and gas facility may be permitted in accordance with Section 30260 only if it does not result in “expansion of capacity.”)

⁴⁸ Pub. Res. Code § 30262(b).

⁴⁹ Maher, Ryan, Letter to Santa Barbara County Air Pollution Control District (May 23, 2024).

28, 2019,⁵⁰ and the industrial stormwater permit for Las Flores Canyon appears to have expired on June 30, 2020. They may be administratively extended, but they should not be for out-of-service facilities. There is little to no information available publicly about these permits, which the County should investigate and ensure that the permit requirements are stringent enough to meet water quality standards and that Sable can comply with pollution controls and monitoring.

In October 2024, coastal Santa Barbara was designated as a National Marine Sanctuary because of its importance to Chumash heritage and culture.⁵¹ The designation demonstrates “the national significance of the area’s ecological, historical, archeological, and cultural resources.”⁵² Further, the state waters portion of the SYU is now subject to a certification requirement, and any repair must be authorized by the Office of the National Marine Sanctuary. Moreover, the federal government may place additional terms and conditions on the activities as a condition of certification to achieve the sanctuary’s purposes. Accordingly, the County should ensure compliance with these federal requirements.

The County Must Require a New or Revised Permit. Before the Commission proceeds with its decision on the permit transfers, it should require a new or revised development plan and other county permits that comprehensively address the SYU changed and unusual circumstances. The 2015 Pipeline System failure and protecting the County from another disaster is the County’s business, yet it has distanced itself from the restart process in disturbing ways. The County wrongly disavowed its jurisdiction over the pipeline—it retained ample authority under the Final Development Permit. Specifically, the 1988 Celeron Settlement confirms that “the County shall retain its right to apply review, approval or enforcement procedures pursuant to law covering Celeron’s actions in violation of this Agreement or in violation of the terms and conditions of Celeron’s permits which have been issued and approved by Celeron or in violation of statutes, ordinances and regulations which are not preempted and which lawfully pertain to the Celeron Project.”⁵³ Additionally, the Commission’s rationale for preemption was in error because preemption only applies to interstate pipelines, which this pipeline system is not; and even if preemption applied, it only extends to the issue of pipeline safety regulations not other relevant laws.

Here, the County, even assuming its views of preemption and the 1989 Celeron settlement were correct (which they are not), has the authority and the duty to ensure that Sable will perform as agreed in the Final Development Plan. The County has abused its discretion by failing to require a new or revised permit due to current owner/operator non-conformity with existing County permits and conditions of approval.

The previously issued Final Development Plan and Conditions of Approval require a new or modified permit. The Las Flores Pipeline System no longer conforms with key permit conditions

⁵⁰ <https://www.epa.gov/npdes-permits/cag280000-general-permit-southern-california-offshore-oil-and-gas-exploration>

⁵¹ NOAA, Chumash Heritage National Marine Sanctuary, 89 Fed. Reg. 23,607 (Oct. 16, 2024)

⁵² *Id.*

⁵³ Agreement Between Celeron Pipeline Company of California and the County of Santa Barbara (Feb. 8, 1988).

now that a post-failure pipeline is proposed for restart. This has been no run of the mill cessation of operations and restart. This is a post-disaster restart of a pipeline poorly designed to fail, that has failed, that has been idle for almost ten years, whose cathodic protections cannot be restored, that needs a State Waiver from otherwise required safety measures, that has numerous pipeline anomalies, that will continue to face a high corrosion rate as it transports oil at high temperatures across a highly variable elevation profile, and that is proposed to be owned and operated by a company who was just cited for unauthorized work in the coastal zone, among other permit modification-triggering circumstances.

A few of the relevant provisions from the Final Development Plan Conditions of Approval for the failed pipeline system are:⁵⁴

A-2. Grounds for Permit Modification or Revocation

If the Planning Commission determines at a noticed public hearing that AAPLP is not in compliance with any permit condition(s), pursuant to the provisions of Sec. 35-185 of Article II and/or Sec. 35-330 of Article III of the Santa Barbara County Code, the Planning Commission is empowered, in addition to revoking the permit pursuant to said section, to amend, alter, delete, or add conditions to this permit. *(modified by the Planning Commission on September 6, 2000)*

A-7. Substantial Conformity

The procedures, operating techniques, design, equipment and other descriptions (hereinafter procedures) described by AAPLP in its application to the County 83-DP-25 cz, 83-CP-97 cz, and in subsequent clarifications and additions to that application and the Final Development Plan are incorporated herein as permit conditions and shall be required elements of the project. Since these procedures were part of the project description which received environmental analysis, a failure to include such procedures in the actual project could result in significant unanticipated environmental impacts. Therefore, modifications of these procedures will not be permitted without a determination of substantial conformity or a new or modified permit. The use of the property and the size, shape, arrangement and location of buildings, structures, walkways, parking areas and landscaped areas shall be in substantial conformity with the approved Final Development Plan.

A-13. Facility Throughput and Source Limits

All facilities constructed under this permit shall be used only for the shipment of a maximum volume of heated crude oil demonstrated to be within the design parameters of the pipeline facilities as built. The subject volumes will be outer continental shelf (OCS) and other locally produced onshore and offshore petroleum from the Santa Barbara and Santa Maria Basins. AAPLP shall obtain a new or modified permit, or authority to continue operation under the existing permit prior to undertaking any of the following activities which may, in the judgment of the County, result in significant changes to the impacts on the County. Such changes could include but not be limited to: 1) major pipeline or pump station modifications; 2) major changes in pipeline throughput; 3) introduction of production to the pipeline from sources other than those described above; and 4) introduction of a different product from any source.

Other source volumes may be transported subject to a determination of substantial conformity by the Planning Commission and a finding of facts and determination that project impacts will not be increased by transporting and processing those other sources.

⁵⁴ Las Flores Pipeline System Final Development Conditions, 88-DP-33 RV01, 88-CP-060 RV01, at A-7, A-7, A-13 (emphasis added).

B-2. Imposition of New and Comprehensive Review of Conditions

If at any time County determines that these permit conditions are inadequate to effectively mitigate significant environmental impacts caused by the project, or that recent proven technological advances could provide substantial additional mitigation, then additional reasonable conditions shall be imposed to further mitigate these impacts. Imposition of such conditions shall only be considered and imposed as part of the County's comprehensive review of the project conditions. County shall conduct a comprehensive review of the project conditions and consider adding reasonable conditions which incorporate proven technological advances three years after permit issuance and at appropriate intervals thereafter. A comprehensive review of conditions which are not effectively mitigating impacts may be conducted at any appropriate time. Upon written request of AAPLP, the Board of Supervisors shall determine whether the new condition required is reasonable considering the economic burdens imposed and environmental benefits to be derived.

Restart of this pipeline system (and its connected infrastructure) after a catastrophic failure of its fundamental design and a massive oil spill (which now necessitates a whole new set of spill avoidance and mitigation measures, a State Waiver, assignments of leases and permits, new oil spill contingency plans, certificates of financial assurances, among other authorizations before restart may be allowed) are certainly such modifications.

The County cannot with a straight face say that this post-failure pipeline system with all of its corrosion issues and risks, including its utterly flawed and ineffective cathodic protection system, has functioned as permitted. The failure of cathodic protections and the extreme conditions under which this pipeline operates (including its elevation profile and high temperatures) is not just a blip that can be papered over with a package of monitoring and integrity management measures. It is a fundamental design flaw in the pipeline system that poses significant environmental risks that have never before been assessed by the County (and state agencies) under the California Environmental Quality Act.

c. The Compliance Plans and Safety Audit Are Not Yet Complete

Sable Lacks Approved Oil Spill Contingency Plans — a Vital Component of Ownership and Operation of a Post-Spill Restart. Sable has not fulfilled the conditions required for the transfer of permits from Exxon. Notably, it does not have an approved Oil Spill Contingency Plan, which is crucial for an effective response to any potential spills. Section 25B-10 (a)(6) requires a finding that the owner/operator have updated and approved compliance plans, and this includes an oil spill contingency plan. On information and belief, the Office of Oil Spill Prevention and Response has not approved Sable's oil spill contingency plan for its onshore facilities, and it is currently under review with the agency. Further, the offshore Oil Spill Contingency Plan is also unapproved, which must be resubmitted to the regulator, but Sable has yet to do so.

The Staff Report makes consistency findings for compliance plans, relying on the owner/operator's promise to revise all plans and obtain approval within six months after assuming operations. This consistency determination is arbitrary and particularly important here, where the pipeline is aged beyond its initial approved lifespan, has spilled previously, and cannot operate in compliance with state and federal cathodic protection safety rules.

The County must pause and ensure that Sable can meet the rigors of oil spill response before the Change of Ownership is approved. The County should have learned from past lessons that operator response to an oil spill is a key component of preventing environmental damage. The

2015 oil spill became all the more catastrophic when Plains All American, the former owner, failed to adequately respond to warnings that there was a problem. Human error and malfeasance will always remain a risk but at the very least adequate plans must be carefully scrutinized, approved, and in place prior to restart.

It would be arbitrary and an abuse of discretion for the County to simply rely on Sable's promise to have such plans in place and allow it to restart oil production, processing, and transportation from the SYU without an approved Oil Spill Contingency Plan for either the onshore or offshore operations.

The Safety Audit Requirement Is Unmet. The County should verify the Safety Audit from Cal Fire and not eschew its responsibility to make sure that the SYU can pass a Safety Audit. The Staff Report notes that the requirements of the Safety Audit for the pipeline system are satisfied because of its lack of jurisdiction under a 1988 settlement agreement between the County and Celeron Pipeline. This finding, however, is arbitrary because even if the County does not itself conduct the Safety Audit, the County can and must verify that Cal Fire conducts and approves of a Safety Audit *before* the County makes its consistency determination. Additionally, Cal Fire safety audits from 2018 to 2023 are not helpful because the facilities were out-of-service during that period. The planned restart warrants a contemporaneous safety audit. Furthermore, the conclusions of Cal Fire and OSPR regarding pipeline safety and spill and rupture risk should be reviewed for the County for consistency with its own permit conditions, laws, and regulations and should be reviewed under CEQA as discussed below.

IV. The County Must Prepare an Environmental Impact Report Under CEQA

As an initial matter, we disagree with the County's determination that the change of ownership, operator, or guarantor is "not a project" under CEQA Guidelines 15378(b)(5), which exempts "[o]rganizational or administrative activities of governments that will not result in direct or indirect physical changes in the environment," is fundamentally flawed. Here, the change of owner and operator from one corporation to another is not such an activity and is also inextricably intertwined with the restart of offshore oil and gas production, petroleum transportation, and processing facilities, as well as associated construction, repair, refurbishment, and workforce mobilization. Sable's plans to restart operations after more than nine years of inactivity through this transfer of permits will cause significant direct and indirect physical changes in the environment and must be assessed under CEQA. This is a project under CEQA and there is no applicable exemption.

Furthermore, the County must examine the entire restart in an EIR. Restarting oil and gas activity from the SYU including use of the onshore pipeline system that ruptured and requires a waiver from otherwise required safety regulations and numerous modifications risks oil spills and other environmental harms that must be analyzed under CEQA. A restart of these operations, including transporting oil through a pipeline system that was designed to fail and has failed, threatens public safety, our beaches, waterways, air quality, wildlife, Tribal cultural resources, human health, ecosystems, and coastal economy and is contrary to California's commitment to transition away from fossil fuels. Restart would only prolong a project that should have already ceased by its own projections. As noted above, the 1985 EIR/EIS for the onshore pipelines only

specified a “projected 30-year life of the project”⁵⁵ and production estimates have already been exceeded,⁵⁶ thus extending production by attempting to modify a failed pipeline system that cannot function as designed and previously permitted should be considered a new project or at a minimum a modification and expansion of an existing project, particularly in light of the disastrous failure of the onshore pipeline system.

The Santa Barbara County Planning & Development Department noted recently that the baseline conditions for the proposed (then abandoned) 901/903 Replacement Pipeline are that of a non-operational pipeline, stating that “baseline conditions evaluated in the Draft EIR/EIS were changed to the conditions that existed on the ground at the time the 2019 NOP and NOIs were released, which is, and continues to be, a non-operational pipeline.”⁵⁷ The existing baseline conditions are a failed, non-operational pipeline system and associated operations, and any restart of Lines 901/903, Las Flores Canyon and POPCO processing facilities, and the offshore infrastructure constitutes at a minimum an expansion of activity.

In addition to constituting an expansion of production as compared to its expected life and as compared to its long-term non-operational status, Sable has also indicated to investors that the restart of the SYU and resumption of drilling from the three offshore platforms would lead to the expansion of wells on their leases on the outer-continental shelf, which would presumably result in a greater volume of oil flowing through the 40-year old failed pipelines than previously anticipated.⁵⁸ While it is unclear how Sable substantiates its claims or how reliable they are, Sable has stated that it had identified more than 100 “infill development and step-out opportunities across the leasefield,” relying on technology developed by Exxon to create “extended reach well[s]” that “increase the ability to produce more oil from existing facilities.”⁵⁹

In 2015, corrosion and failure of this pipeline system caused one of the most disastrous oil spills in California history; since then, the pipeline has sat idle—from the coast of Santa Barbara County to Kern County—as have the associated onshore facilities, offshore pipelines, and outer continental shelf platforms and other infrastructure. While the owners and operators once pursued a replacement pipeline, they are now hastily attempting to restart the failed pipeline system. As detailed in our September 24, 2024 letter to the State Lands Commission, Santa Barbara County, and CAL FIRE (attached), they are out of compliance with several of the original Conditions of Approval due to the failure of the pipeline system’s design, the catastrophic spill, and the many modifications (including a state waiver of existing pipeline safety regulations) needed to restart the failed onshore system. There is no way to remediate this

⁵⁵ California State Lands Commission & Bureau of Land Management, Draft Environmental Impact Report/ Environmental Impact Statement (“1985 EIR/EIS”) for the Celeron/All American and Getty Pipeline Projects (Aug. 1984), at 2-35.

⁵⁶ Compare Development and Production Plan cited above to BSEE, Sable Offshore Corp.: Platforms Operated by Sable Offshore Corp., <https://www.bsee.gov/stats-facts/ocsregions/pacific/pacific-ocs-platforms/exxonmobil>.

⁵⁸ Sable Offshore Group, Investor Presentation, May 2024, *Available at* https://s202.q4cdn.com/300304768/files/doc_presentation/2024/05/Sable-Offshore-Corp-Investor-Presentation_May-2024.pdf

⁵⁹ *Id.*

pipeline system to an “as new” status or one that is as protective as would have been ensured by truly effective cathodic protections. Along with public safety and ongoing pipeline corrosion and integrity risks, a few of the harms that must be analyzed in a new CEQA review of the modified pipeline system are described below.

Oil spills are an inevitable consequence of oil production, including pipeline transportation. A recent analysis by Sable indicates that a worst-case spill from the failed onshore pipeline system could be 41,899 barrels of oil or *over 1.7 million gallons*.⁶⁰ Reports indicate the Santa Ynez Unit platforms are corroded, increasing chances of a potential spill.⁶¹ The three platforms —Platform Harmony, Platform Hondo, and Platform Heritage— were installed in 1989, 1976, and 1989, respectively.⁶² Records from the federal government show that they had widespread corrosion and gas leaks requiring emergency responses before they were shutdown following the 2015 Refugio oil spill.⁶³ Federal officials who inspected Platform Hondo on May 1, 2015 found “numerous corrosion issues” and components out of compliance. Just three weeks before that, they also found corrosion, five failed gas detectors, and “leakage rates higher than the maximum allowable” on that platform’s Well H-12U.⁶⁴ Platforms Hondo, Heritage, and Harmony had early-2015 gas leaks that required their crews to gather for safety reasons, including an incident on Platform Heritage at 10:29 a.m. on May 19.⁶⁵ Platform Hondo also had a gas leak on April 27, 2015, and Platform Harmony had one on March 29 of that year. A federal inspection of Harmony on Aug. 27, 2015, found “corrosion issues throughout the platform” and “electrical issues throughout the platform.”⁶⁶

The offshore pipelines on the leases here are also old and are more vulnerable than onshore pipelines to incidents. Specifically, exposure to wave action can alter the pipeline stability, causing gradual displacement, especially in small diameter pipelines.⁶⁷ Aging poses risks of corrosion, erosion and fatigue stress to subsea pipelines.⁶⁸ Subsea pipeline corrosion accelerates over time,⁶⁹ and can act synergistically with fatigue stress to increase the rate of crack propagation.⁷⁰ Marine environments are especially known to produce significant corrosion on

⁶⁰ Sable Offshore Corp., Pacific Pipeline Company Integrated Contingency Plan Las Flores Canyon Core Plan (Apr. 2024) at 14-4.

⁶¹ Tyler Hayden, Inspection Reports Detail Corrosion, Leaks on Exxon Platforms, Santa Barbara Independent (May 24, 2019), <https://www.independent.com/2019/05/24/corrosion-and-leaks-on-exxons-santa-barbara-platforms%E2%80%A8/>.

⁶² BOEM, Pacific OCS Map, <https://www.boem.gov/sites/default/files/documents/newsroom/POCSR-Map.pdf>.

⁶³ BSEE, Offshore Accident Reports, https://www.biologicaldiversity.org/campaigns/Refugio_oil_spill/pdfs/exxonmobile-offshore-accident-reports.pdf.

⁶⁴ *Id.*

⁶⁵ *Id.*

⁶⁶ *Id.*

⁶⁷ U.S. Department of Transportation: Federal Highway Administration. Impacts of Climate Change and Variability on Transportation Systems and Infrastructure: The Gulf Coast Study, Phase 2 (2015).

⁶⁸ Petroleum Safety Authority (PSA) Norway, Material Risk – Ageing offshore installations (2006).

⁶⁹ Mohd, M.H. and J.K. Paik, Investigation of the corrosion progress characteristics offshore oil well tubes, 67 Corrosion Science 130-141 (2013).

⁷⁰ PSA Norway 2006.

steel surfaces, and when a steel structure is at or beyond its elastic limit, the rate of corrosion increases 10 to 15 percent.⁷¹ One offshore pipeline study found that after 20 years the annual probability of pipeline failure increases rapidly, with values in the range of 0.1 to 1.0, which equates to a probability of failure of 10 to 100 percent per year.⁷²

Oil spills harm wildlife, including threatened and endangered species. When the pipeline ruptured in 2015, it killed an estimated 558 birds, 232 marine mammals and harmed 1,500 acres of shoreline and 2,200 acres of marine subtidal habitat.⁷³ “The crude oil that entered the ocean posed a significant risk to and injured marine plants and wildlife, including seagrasses, kelp, invertebrates, fish, birds, and mammals.”⁷⁴ Oil spills have a wide array of lethal and sublethal impacts on marine species, both immediate and long-term.⁷⁵ Direct impacts to wildlife from exposure to oil include behavioral alteration, suppressed growth, induced or inhibited enzyme systems, reduced immunity to disease and parasites, lesions, tainted flesh, and chronic mortality.⁷⁶ Oil can also exert indirect effects on wildlife through reduction of key prey species.⁷⁷ Oil destroys the water-proofing and insulating properties of feathers and fur of birds and mammals, respectively, thereby compromising their buoyancy and ability to thermoregulate.⁷⁸ California’s endangered species—sea otters, whales, western snowy plovers, to name a few—are susceptible to harm from oil spills.

Pollution from routine operations also dirty the air and water. The SYU operation, including platforms, pipelines and processing facilities create air pollution, including carcinogens and endocrine disruptors, that threaten human health. Even without the Santa Ynez Unit operating, Santa Barbara is already in non-attainment for California’s standards for ozone and particulate matter (PM₁₀).⁷⁹ When they were operational, ExxonMobil’s Santa Ynez Unit was the largest source of pollution in Santa Barbara County for carbon dioxide, methane, volatile organic compounds, PM_{2.5}, and formaldehyde. Volatile organic compounds (VOCs) emitted during oil production include the “BTEX compounds” — benzene, toluene, ethyl benzene and xylene —

⁷¹ Mohd and J.K. Paik 2013; A. Igor, R.E. Melchers, Pitting corrosion in pipeline steel weld zones, 53:12 Corros. Sci. 4026–4032 (2011); R.E. Melchers, M. Ahammed, R. Jeffrey, G. Simundic, Statistical characterization of surfaces of corroded steel plates, 23 Mar. Struct. 274–287 (2010).

⁷² Bea, R., C. Smith, B. Smith, J. Rosenmoeller, T. Beuker, and B. Brown, Real-time Reliability Assessment & Management of Marine Pipelines. 21st International Conference on Offshore Mechanics & Arctic Engineering (2002).

⁷³ California Department of Fish and Wildlife et al., Refugio Beach Oil Spill Final Damage Assessment and Restoration Plan/Environmental Assessment (June 2021).

⁷⁴ *Id.*

⁷⁵ National Academies of Sciences, Engineering, and Medicine, Oil in the Sea IV: Inputs, Fates, and Effects (2022); Venn-Watson, S. et al. Adrenal Gland and Lung Lesions in Gulf of Mexico Common Bottlenose Dolphins (*Tursiops truncatus*) Found Dead following the Deepwater Horizon Oil Spill. PLoS ONE 10, e0126538 (2015).

⁷⁶ Holdway, D. A, The acute and chronic effects of wastes associated with offshore oil and gas production on temperate and tropical marine ecological processes, 44 Marine Pollution Bulletin 185-203 (2002).

⁷⁷ Peterson, Charles, et al., Long-term ecosystem response to the Exxon Valdez oil spill, 302 Science 2082 (2003).

⁷⁸ Jenssen, B. M. 1994. Review Article: Effects of oil pollution, chemically treated oil, and cleaning on the thermal balance of birds 86 Environmental Pollution 207-215 (1994); Peterson et al. 2003.

⁷⁹ See <https://www.ourair.org/air-quality-standards/>.

which Congress has listed as Hazardous Air Pollutants.⁸⁰ Many of these VOCs are associated with serious short-term and long-term effects to the respiratory, nervous or circulatory systems.⁸¹ Additionally, VOCs create ground-level ozone, or smog, which can contribute to asthma, premature death, stroke, heart attack and low birth weight.⁸² Recent research highlights the strong link between fine particulate matter emissions from burning fossil fuels and serious illness and premature death.⁸³ Notably, before it shut down in 2015, the Santa Ynez Unit was Santa Barbara County's largest facility source of greenhouse gas emissions.⁸⁴ It contributed 55 percent of Santa Barbara County's total emissions.⁸⁵ The restart of the Santa Ynez Unit will contribute to the climate crisis and its concomitant damages to California — ranging from sea level rise and severe weather to public health and infrastructure damage. The lease assignment, extensions and restart of the SYU will cause exceedances of national ambient air quality standards.

Restarting the SYU will pollute the water from routine operations. Offshore oil and gas platforms discharge produced water. Produced water contains several chemicals that are toxic to aquatic life. These compounds include dispersed oils, aromatic hydrocarbons and alkylphenols, heavy metals, biocides, corrosion inhibitors, emulsion breakers, coagulants, oxygen scavengers, and naturally occurring radioactive materials.⁸⁶ The most common metals in produced water are arsenic, cadmium, copper, chromium, lead, mercury, nickel, and zinc.⁸⁷ Several compounds in produced water are known to have negative biological effects.⁸⁸ Studies of chronic exposure of the blue mussel (*Mytilus edulis*, a common biomarker) to produced water have shown DNA damages within 1 km of the outfalls.⁸⁹

Although currently enjoined pending a court-ordered environmental review, well stimulation treatments were planned for the SYU, which would contaminate produced water with additional

⁸⁰ 42 U.S.C. § 7412(b).

⁸¹ Colborn, T. et al. Natural gas operations from a public health perspective, 17 Human and Ecological Risk Assessment 1039- 1056 (2011).

⁸² Jerrett, M. et al. Long-term ozone exposure and mortality, 360 N Engl J Med 1085-1095 (2009).

⁸³ See, e.g., Vohra, Karn et al., *Global mortality from outdoor fine particle pollution generated by fossil fuel combustion*, 195 Environmental Research (Apr. 2021).

⁸⁴ U.S. Environmental Protection Agency, 2014 Greenhouse Gas Emissions from Large Facilities, <https://ghgdata.epa.gov/>

⁸⁵ *Id.*

⁸⁶ Neff, J., K. Lee, and E. M. DeBlois. Produced water: overview of composition, fates, and effects, Produced water 3-54 (2011).

⁸⁷ Bakke, T., J. Klungsøyr, and S. Sanni, Environmental impacts of produced water and drilling waste discharges from the Norwegian offshore petroleum industry, 92 Marine Environmental Research 154–169 (2013).

⁸⁸ See e.g., Meier, S., H. Craig Morton, G. Nyhammer, B. E. Grøsvik, V. Makhotin, A. Geffen, S. Boitsov, K. A. Kvestad, A. Bohne-Kjersem, A. Goksøyr, A. Folkvord, J. Klungsøyr, and A. Svardal, Development of Atlantic cod (*Gadus morhua*) exposed to produced water during early life stages: Effects on embryos, larvae, and juvenile fish, 70 Marine Environmental Research 383–394 (2010).; Tollefsen, K. E., R. C. Sundt, J. Beyer, S. Meier, and K. Hylland, Endocrine modulation in Atlantic cod (*Gadus morhua* L.) exposed to alkylphenols, polyaromatic hydrocarbons, produced water, and dispersed oil, 74 Journal of Toxicology and Environmental Health, Part A 529–542 (2011).

⁸⁹ Brooks, S., C. Harman, B. Zaldibar, U. Izagirre, T. Glette, and I. Marigómez, Integrated biomarker assessment of the effects exerted by treated produced water from an onshore natural gas processing plant in the North Sea on the mussel *Mytilus edulis*, 62 Marine pollution bulletin 327–339 (2011).

toxic chemicals. For example, scientific research has indicated that the chemicals used in acidizing are F-graded hazardous chemicals—carcinogens, mutagens, reproductive toxins, developmental toxins, endocrine disruptors or high acute toxicity chemicals.⁹⁰

SYU is located in sensitive habitat and affects special status wildlife. A 2018 report identified 41 special-status plant species, two natural communities of special concern, and 43 special status wildlife species along the pipeline route.⁹¹ This includes the San Joaquin kit fox,⁹² the Gaviota tarplant, monarch butterfly, the endangered tidewater goby, the endangered southern California steelhead,⁹³ the threatened California red-legged frog, the California tiger salamander,⁹⁴ the coast range newt, the western pond turtle, California fully protected blunt-nosed leopard lizard, and the silvery legless lizard. Originally the report was prepared for the now-abandoned pipeline replacement project, yet the same habitats and wildlife are threatened by Sable’s pipeline restart and operational activities.

SYU operations including the onshore pipelines also threaten cultural resources and the Chumash National Marine Sanctuary. Ocean waters in and around the Santa Barbara Channel protect ancient Chumash villages that lay under the ocean on the submerged lands of San Luis Obispo and Santa Barbara Counties. Since time immemorial, the humpback whale has played an important role in the culture and lifeways of Chumash maritime tribes, bands, and clans. Chumash people continue to have a strong cultural and spiritual interest in the protection of the species. Some Chumash people navigate on tomols (Chumash plank canoes) and by other means and encountering humpback whales is essential to their connection with their ancestors and provides them with a spiritual echo through time and connection to the planet as they traverse between the Channel Islands (the origin of the Chumash Peoples) and the mainland. Healthy populations of humpback are thus essential to sacred Chumash journeys between their traditional territories. The Project may threaten sacred lands and wildlife that sustain Chumash culture, religious practices, and lifeways.

The County must also consider that in October 2024, the federal government designated the area encompassing the Gaviota Coast as part of the Chumash Heritage National Marine Sanctuary. This area is adjacent to the SYU processing facilities and pipeline system at issue here, and will likely be impacted by pollution and oil spills. The offshore pipeline connecting the onshore processing facilities run through the new sanctuary. The Sanctuary prohibits new offshore oil and gas production; and although there’s an exemption for pre-existing leases, the designation

⁹⁰ Abdullah, Khadeeja, Timothy Malloy, Michael K. Stenstrom & I. H. (Mel) Suffet., Toxicity of acidization fluids used in California oil exploration, Toxicological & Environmental Chemistry (2016).

⁹¹ SCS Tracer Environmental, Line 901 & Line 903 Full Replacement Project Biological Resources Assessment (Jan. 2018).

⁹² U.S. Fish & Wildlife Serv., Species Status Assessment Report for the San Joaquin Kit Fox (*Vulpes macrotis mutica*) (2020), <https://ecos.fws.gov/ServCat/DownloadFile/185116>.

⁹³ Katz, Jacob *et al.*, Impending extinction of salmon, steelhead, and trout (Salmonidae) in California, 96 *Env’tl Biol. Fishes* 1169 (2013).

⁹⁴ U.S. Fish & Wildlife Serv., California Tiger Salamander Santa Barbara County DPS 5 Year Review (July 2022) https://ecos.fws.gov/docs/tess/species_nonpublish/3762.pdf.

demonstrates “the national significance of the area’s ecological, historical, archeological, and cultural resources.”⁹⁵

In summary, the environmental impacts associated with the SYU project are significant and multifaceted. The potential for oil spills, public safety impacts, air and water pollution, and the disturbance of Chumash cultural resources among other impacts necessitates a comprehensive EIR under CEQA to inform the County’s decisions. Given the controversy surrounding the SYU restart and the sensitive nature of the affected areas, it is imperative that the County conducts a detailed analysis with full public transparency and participation.

V. Conclusion.

In conclusion, the County must prioritize transparency, legal compliance, and environmental safety before approving the transfer of (and resumption of operations from) these onshore oil and gas pipelines and facilities. The County should ensure that all relevant documents are made publicly available, that a thorough CEQA review is conducted before restart of SYU operations is authorized, and that the County scrutinizes Sable’s ability to fully comply with all permit terms and conditions, financial assurance requirements, and other applicable laws before the permits are transferred and operations are allowed to resume. Only through these steps can the County make an informed and responsible decision that safeguards coastal resources and communities.

We strongly recommend that the Planning Commission deny Sable’s application, if it chooses to proceed at this time. Protecting our environment and ensuring the safety of our community must be top priorities

Sincerely,



Julie Teel Simmonds, Senior Counsel
jtsimmonds@biologicaldiversity.org



Miyoko Sakashita, Senior Counsel
miyoko@biologicaldiversity.org

cc: Jim Hosler, Chief /Assistant Deputy Director, CAL FIRE
Jim.Hosler@fire.ca.gov

⁹⁵ NOAA, Chumash Heritage National Marine Sanctuary, 89 Fed. Reg. 23607 (Oct. 16, 2024).

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Villalobos, David

From: glenn.claycomb@oselbooks.com
Sent: Monday, October 28, 2024 4:29 PM
To: Villalobos, David
Subject: Please deny Sable Offshore Corporation's request to take over ExxonMobil facilities

Categories: Purple Category

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

We expect the Santa Barbara County Planning Commission to laugh Sable Offshore Corporation and ExxomMobil out of the room at Wednesday's hearing about the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.

Best regards,
Glenn Claycomb

AGENDA ITEMS	
ITEM #	2
MEETING DATE	10/30/24

October 28, 2024

Submitted via email to:
PCSecretary@SantaBarbaraCA.gov
dvillalo@co.santa-barbara.ca.us

Commissioner Vincent Martinez, Chair
Santa Barbara County Planning Commission
123 East Anapamu Street
Santa Barbara, CA 93101

ADMINISTRATIVE	
ITEM #:	2
DATE:	10/30/24

Re: Support for Sable's Owner/Operator Change Application for the Santa Ynez Unit Restart Project

Dear Chair Martinez and Commissioners,

We the undersigned, as representatives of the 115 employees and over 400 contractors locally employed by Sable Offshore Corp. (Sable) here in the greater Santa Barbara area, **urge you to support Sable's Owner/Operator Change Application for the Santa Ynez Unit assets and Pacific Offshore Pipeline Company (POPCO) facilities.**

When Sable acquired the SYU and POPCO facilities in February of this year, they retained the experienced operations and maintenance staff as well as the local management team. Collectively, each employee brings an average of 20 years' worth of experience and knowledge to the table. This applies to both the safe operation and management of the systems as well as the rigorous compliance requirements that are there to protect both Sable employees and the public.

Sable has also continued relationships with qualified contractors with long-term histories of providing base maintenance and construction, safety services, landscaping, security, material handling and inventory management, third-party testing and inspection services, and required pipeline integrity management.

Not only has this continuity allowed for the seamless transition of assets from one owner and operator to the next, it also shows Sable's commitment to us – the people whose families and livelihoods depend on Sable and the local jobs they provide.

The Sable management team are no strangers to Santa Barbara themselves. The management and executive team have worked together in the Santa Barbara area for more than 20 years. Upon acquiring the systems, they immediately got to work ensuring all employees and contractors received adequate cross training and also to revise their well-established protocols and practices to meet or exceed all applicable local, state and federal regulations. This includes, but is not limited to, established day-to-day operations, emergency response, oil spill response, damage prevention, one-call, pipeline surveillance, field/facility inspections, right-of-way maintenance, records management, and facility security protocols.

The approval of Sable's application is simply the first of many regulatory steps that will need to be taken for Sable to continue providing the good paying jobs we depend on. Sable is exactly the kind of employer that Santa Barba County needs and deserves. One that puts the safety of their workers and their responsibility to the community first. **We thank you for your**

consideration in reviewing our comment letter and again urge you to approve Sable's Owner/Operator Change Application.

Sincerely,

Jason Wall

Doty Bros. Construction Co.



Arnie Schildhaus <jamaps@gmail.com>

ACINDA ITEMS	
ITEM #:	2
MEETING DATE:	10/30/24

Sable Oil

2 messages

Arnie Schildhaus <jamaps@gmail.com>
To: dvillalo@co.santa-barbara.ca.gov

Sat, Oct 12, 2024 at 10:57 AM

Dear Mr. Villalobos-

I am writing to you to express my opposition to the transfer of ownership of the Plains Pipeline from ExxonMobil to Sable Oil.

The history of this pipeline includes numerous violations of safety practices leading to the rupture of the pipeline resulting in a massive oil spill and the deaths of hundreds of animals. Now, in what seems a sleight of hand, Exxon has sold the pipeline to Sable Oil with money it loaned the company. We, the county and state, with minimal information regarding the details and safety of both the deal and condition of the pipeline, and no guarantees of safety measures for future protection, are asked to trust the process and approve the package.

I've often acted by the guideline-fooled once it's a learning experience, fooled twice I'm the fool-

The county now has the opportunity to deny Sable's efforts to take over Exxon's facilities, best insure the protection from future oil spill disasters, and seize this moment as an opportunity to protect our environment. I would strongly recommend the county and state to make every effort to pursue this course.

Thank you.

Arnie Schildhaus

Mail Delivery Subsystem <mailer-daemon@googlemail.com>
To: jamaps@gmail.com

Sat, Oct 12, 2024 at 10:57 AM



Address not found

Your message wasn't delivered to **dvillalo@co.santa-barbara.ca.gov** because the domain co.santa-barbara.ca.gov couldn't be found. Check for typos or unnecessary spaces and try again.

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<https://support.google.com/mail/?p=BadRcptDomain>

Final-Recipient: rfc822; dvillalo@co.santa-barbara.ca.gov

Action: failed

Status: 5.1.2

Diagnostic-Code: smtp; DNS Error: DNS type 'mx' lookup of co.santa-barbara.ca.gov responded with code
NXDOMAIN

Domain name not found: co.santa-barbara.ca.gov For more information, go to <https://support.google.com/mail/?p=BadRcptDomain>

Last-Attempt-Date: Sat, 12 Oct 2024 10:57:12 -0700 (PDT)

----- Forwarded message -----

From: Arnie Schildhaus <jamaps@gmail.com>

To: dvillalo@co.santa-barbara.ca.gov

Cc:

Bcc:

Date: Sat, 12 Oct 2024 10:57:01 -0700

Subject: Sable Oil

Dear Mr. Villalobos-

I am writing to you to express my opposition to the transfer of ownership of the Plains Pipeline from ExxonMobil to Sable Oil.

The history of this pipeline includes numerous violations of safety practices leading to the rupture of the pipeline resulting in a massive oil spill and the deaths of hundreds of animals. Now, in what seems a sleight of hand, Exxon has sold the pipeline to Sable Oil with money it loaned the company. We, the county and state, with minimal information regarding the details and safety of both the deal and condition of the pipeline, and no guarantees of safety measures for future protection, are asked to trust the process and approve the package.

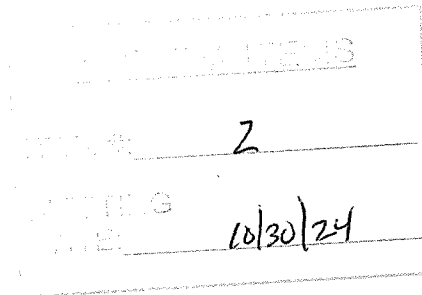
I've often acted by the guideline-fooled once it's a learning experience, fooled twice I'm the fool-

The county now has the opportunity to deny Sable's efforts to take over Exxon's facilities, best insure the protection from future oil spill disasters, and seize this moment as an opportunity to protect our environment. I would strongly recommend the county and state to make every effort to pursue this course.

Thank you.
Arnie Schildhaus

October 25, 2024

Submitted via email to:
PCSecretary@SantaBarbaraCA.gov
dvillalo@co.santa-barbara.ca.us



Commissioner Vincent Martinez, Chair
Santa Barbara County Planning Commission
123 East Anapamu Street
Santa Barbara, CA 93101

Re: Affirming my Support for Sable's Owner/Operator Change Application

Dear Commissioners,

Thank you for your time and consideration of Sable's application. I am truly grateful for the opportunity to share my insights and experiences regarding Sable Offshore and its operations with you.

My name is Ted Roche, and I bring a unique perspective as the founder and former CEO of Aqueos Corporation, a full-service marine construction and commercial diving company that I established nearly 25 years ago in Santa Barbara. It is both an honor and a privilege to discuss Sable's significant contributions to our community and environment.

Company Background:

Aqueos Corporation has built a strong reputation in the marine industry by providing essential subsea services to major oil and gas operators, including Sable. Our work spans various regions, including offshore California, the Gulf of Mexico, and select international locations. This diverse experience has granted me a comprehensive understanding of the marine construction sector and the rigorous standards required for safe and environmentally responsible operations.

Personal Connection:

As a native of Santa Barbara, I have deep roots in this community. I graduated from Santa Barbara High School and then from Santa Barbara City College with a Degree in Marine Diving technology. My background as a former commercial abalone diver has instilled in me a profound respect for the ocean and its ecosystems. Additionally, my son is a commercial fisherman operating out of the Santa Barbara Harbor, which keeps me closely connected to our local marine economy. I am also an avid surfer and a proud environmentalist. For me, the ocean is not just a workplace; it is a vital part of my life, both professionally and personally.

Experience with Sable Offshore:

Since graduating from college in 1975, I have been actively involved in commercial diving, working extensively in diverse locations such as the North Sea, South China Sea, Alaska, Mexico, and right here in offshore California, including the Santa Barbara Channel. Aqueos Corporation has been at the forefront of marine operations for several decades, conducting subsea inspections on every offshore platform and subsea pipeline in the Santa Barbara Channel.

Throughout my extensive career, I have had the privilege of working closely with Sable and its senior management team for nearly two decades. This collaboration has afforded me firsthand insight into their unwavering commitment to safety and environmental stewardship. I have personally witnessed their senior management's dedication during various projects, including their ownership

and operation of Plains Exploration and Production (PXP) from 2006 to 2013 and their subsequent ownership and operation of Freeport McMoRan from 2017 to 2022.

Sable stands out among its peers. They do not merely talk about safety and environmental protection — they embody these values in every aspect of their operations. Their approach is characterized by meticulous attention to detail, rigorous inspections, and a strong commitment to properly maintaining all structures and associated appurtenances. I can personally attest that there is no compromising when it comes to safety at Sable.

Current Projects:

We are currently engaged with Sable Offshore at the Santa Ynez Unit, where we are completing crucial subsea inspection work. This includes deploying skilled divers at Platforms Hondo, Harmony, and Heritage and utilizing our Remote Operating Vehicle (ROV) for comprehensive underwater inspections of the intra-field and field-to-shore subsea pipelines. These efforts are essential in ensuring the integrity and safety of the infrastructure that supports our local economy and environment.

Support for the Blue Economy:

I am a strong advocate for the Blue Economy, a concept that emphasizes the sustainable use of ocean resources to foster economic growth, improve livelihoods, and create jobs. Recently, I participated in a panel discussion at Santa Barbara City College, where diverse stakeholders – including representatives from commercial fishing, mineral extraction, renewable energy, aquaculture operations, and maritime transport – came together to explore how we can work collaboratively to promote sustainable practices in our ocean economy.

Sable's operations at the Santa Ynez Unit exemplify how we can balance economic development with environmental responsibility. Their work not only supports local jobs but also significantly contributes to the overall economic vitality of Santa Barbara County. The presence of Sable creates numerous employment opportunities, stimulates local businesses, and generates substantial revenue for our community.

Conclusion:

In closing, I want to reaffirm my strong support for Sable's request to become the Operator of the Santa Ynez Unit. Their commitment to safety, environmental stewardship, and community engagement makes them a valuable partner in our region's future. With Sable Offshore at the helm, I firmly believe we can continue to ensure responsible and sustainable operations that benefit both our economy and the environment.

Sincerely,

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

Ted Roche
Senior Advisor
AQUEOSSUBSEA.COM
SAFETY FIRST. ALWAYS

Villalobos, David

From: Marian Shapiro, MSW sheher <marianshapiro@gmail.com>
Sent: Monday, October 28, 2024 9:30 PM
To: Villalobos, David
Subject: Oil Spill Contingency Plan

Categories: Purple Category

ITEM #:	2
MEETING DATE:	10/30/24

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

Leaders in the environmental community have let us know about the risks of ruptured oil pipelines if permits are transferred from ExxonMobil to Sable Offshore Corporation. Here is what we who care about the environment ask you to consider.

- The Planning Commission should deny Sable's application to transfer permits for the Santa Ynez Unit, POPCO Gas Plant, and Las Flores Pipelines.
- Another spill from these facilities is likely and would be devastating to Santa Barbara County and the Gaviota Coast.
- Sable cannot afford to cover the cost of remediation if the pipeline ruptures during restart or shortly thereafter. The public should not have to pay to clean up another spill.
- The Commission cannot approve the transfer of permits from Exxon to Sable because Sable has not met the conditions of the permits. For example, Sable doesn't have an approved plan to respond to an oil spill (i.e., an Oil Spill Contingency Plan).
- Sable recently defied a Notice of Violation issued by the Coastal Commission, continuing work on its facilities without a proper permit. The questionable behavior of Sable's management team shows that the Commission cannot trust them to responsibly operate this project.

We who are privileged to live in this beautiful environment, are sickened when such damaging ruptures occur and threatens the lives of our birds and ocean animals and the natural beauty of our beaches and oceans that gives our people such enjoyment of living here. Please do the right thing and make sure our environment is protected.

Thank you!

Marian Shapiro

Marian Shapiro, MSW
249 Savona Ave. Goleta, CA 93117
Landline preferred 805-968-0478. Cell 805-252-8616

Villalobos, David

From: Karen Dorfman <karen.dorfman@icloud.com>
Sent: Monday, October 28, 2024 9:50 PM
To: Villalobos, David
Subject: NO to Exxon Sable Permit Transfer

Categories: Purple Category

ITEM #:	2
MEETING DATE:	10/30/24

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

I strongly oppose the permit transfer from Exxon to Sable. After the 2015 Refugio spill, I witnessed the devastating impact on local sea life and birds. Despite all the money spent on "cleanup" and all the hired workers combing the beach to mitigate the disaster, there seemed little they could do in reality. Improvement was minimal. "Cleanup" seemed to be a PR stunt to placate local residents and businesses. The spill was much worse than initially reported. The hired workers collected small globs of toxic oil while creating massive amounts of plastic waste in the form of plastic gloves, trash bags, suits and gear. I have never forgotten the irony of that tragic situation. Please don't repeat this catastrophe. This is just one sad photo I took a few days after the incident:



Karen Dorfman
Goleta

October 29, 2024

Chair Martinez and Planning Commissioners
Santa Barbara County Planning Commission
123 East Anapamu Street
Santa Barbara, CA 93101

2
10/30/24

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

Dear Chair Martinez and Planning Commissioners,

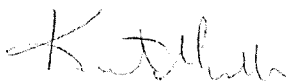
The Santa Barbara South Coast Chamber of Commerce, representing businesses from Goleta to Carpinteria, would like to express our support for the approval of Sable's owner/operator change application.

From the perspective of a community organization, we have witnessed Sable's dedication to being a community partner. Upon joining the community Sable wasted no time in reaching out to us, and others, to understand opportunities where they can support our work throughout the community. These actions reflect a company looking to establish roots in the community. Sable has already established a corporate and social responsibility giving program that invests up to \$300,000 annually in our community. Sable has indicated to us that they intend to increase that community investment dramatically as their work in Santa Barbara County continues.

As a business representing organization that prides itself on being the bridge between business and government, it is critical to the Chamber that we all set appropriate precedents for businesses in the County. To us, it is imperative that the County (in this case, the Planning Commission) take a position based upon the validity of the request/item before them, as well as basing their decision based upon what is within their jurisdiction for this hearing. In this case, our understanding is that the staff report recommends approval, as the applicant meets the conditions of approval.

Businesses are already struggling with meeting the conflicting Federal, State, and local regulations. Denying this owner/operator change application based upon a desire to prevent operation of the facility would set a dangerous precedent. It would send a message to the business community that your projects/applications can still be denied even if you meet all the legal requirements associated with the project/application. This would understandably discourage future investments from businesses into Santa Barbara County, and even lead to our County losing business opportunities to other regions. This is not a scenario we should risk during such a critical phase of our county's economic development. Please approve Sable's application for an Owner/Operator Change.

Sincerely,



Kristen Miller
President & CEO
Santa Barbara South Coast Chamber of Commerce



October 29, 2024

Submitted via email to:
PCSecretary@SantaBarbaraCA.gov
dvillalo@co.santa-barbara.ca.us

DATE	2
TIME	10/30/24

Commissioner Vincent Martinez, Chair
Santa Barbara County Planning Commission
123 East Anapamu Street
Santa Barbara, CA 93101

Re: Support for Sable’s Owner/Operator Change Application for the Santa Ynez Unit Restart Project

Dear Chair Martinez and Commissioners,

We the undersigned, as representatives of the 115 employees and over 400 contractors locally employed by Sable Offshore Corp. (Sable) here in the greater Santa Barbara area, **urge you to support Sable’s Owner/Operator Change Application for the Santa Ynez Unit assets and Pacific Offshore Pipeline Company (POPCO) facilities.**

When Sable acquired the SYU and POPCO facilities in February of this year, they retained the experienced operations and maintenance staff as well as the local management team. Collectively, each employee brings an average of 20 years’ worth of experience and knowledge to the table. This applies to both the safe operation and management of the systems as well as the rigorous compliance requirements that are there to protect both Sable employees and the public.

Sable has also continued relationships with qualified contractors with long-term histories of providing base maintenance and construction, safety services, landscaping, security, material handling and inventory management, third-party testing and inspection services, and required pipeline integrity management.

Not only has this continuity allowed for the seamless transition of assets from one owner and operator to the next, it also shows Sable’s commitment to us – the people whose families and livelihoods depend on Sable and the local jobs they provide.

The Sable management team are no strangers to Santa Barbara themselves. The management and executive team have worked together in the Santa Barbara area for more than 20 years. Upon acquiring the systems, they immediately got to work ensuring all employees and contractors received adequate cross training and also to revise their well-established protocols



and practices to meet or exceed all applicable local, state and federal regulations. This includes, but is not limited to, established day-to-day operations, emergency response, oil spill response, damage prevention, one-call, pipeline surveillance, field/facility inspections, right-of-way maintenance, records management, and facility security protocols.

The approval of Sable's application is simply the first of many regulatory steps that will need to be taken for Sable to continue providing the good paying jobs we depend on. Sable is exactly the kind of employer that Santa Barba County needs and deserves. One that puts the safety of their workers and their responsibility to the community first. **We thank you for your consideration in reviewing our comment letter and again urge you to approve Sabe's Owner/Operator Change Application.**

Sincerely,

A handwritten signature in black ink, appearing to read 'Thomas M. Jones', written over a horizontal line.

Thomas M. Jones
Sr. Vice President
Primoris Services Corporation

Villalobos, David

From: Kevin Loughran <kvikelo@gmail.com>
Sent: Tuesday, October 29, 2024 4:35 PM
To: Villalobos, David
Subject: Fwd: Photos of Sable pipe line presently unfinished excavations at Tajiguas above my house.
Categories: Purple Category

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

Subject: Photos of Sable pipe line presently unfinished excavations at Tajiguas above my house.

Dear Mr Villalobos

In reference to the meeting tomorrow morning, could you please make these photos available to the planning commission members.



This unrestored pipeline repair pit is right in our water shed.

If it is not restored before the rainy season it will be a potential disaster for us, 100 yards below.
I have heard no from them about this.
If they can't deal with this then why trust them for an oil spill.
I hope to be at the meeting tomorrow to comment to the panel.
Thank you for doing this at the last minute.









Kevin Loughran
14300 Calle Real
Gaviota
93117
loughrandesigns.com
housejewelry.com
805-680-2779



October 28, 2024

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

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

Dear Chair Martinez and Honorable Commissioners:

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

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

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

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

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

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

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

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

I. Background

A. The Facilities and Permits at Issue

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

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

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

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

³ See *id.*

⁴ *Id.*

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

B. The Refugio Oil Spill and SYU Shut-In

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

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

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

⁵ See County Code, § 25B-2.

⁶ *Id.* at § 25B-4(a).

⁷ *Id.* at 25B-4(c), (e)-(g).

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

⁹ *Id.* at 18.

¹⁰ *Id.* at 3-9.

¹¹ *Id.* at 3.

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

¹³ *Id.* at 14.

¹⁴ *Id.* at 3, 9.

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

¹⁶ See *id.*

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

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

1. Sable's Origins

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

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

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

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

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

¹⁸ *Id.* at 174.

¹⁹ *Id.*

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

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

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

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

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

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

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

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

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

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

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

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

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

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

²⁸ *Id.* at § 3.1.

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

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

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

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

³³ *Id.* at 31.

³⁴ *Id.* at 6.

³⁵ *Id.* at 16-17.

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

3. Sable’s Dangerous Gambit to Restart the SYU

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

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

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

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

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

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

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

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

⁴⁰ Withdrawal Letter from Pacific Pipeline Company to County Department of Planning and Development (October 24, 2023), available at: <https://cosantabarbara.app.box.com/s/3gvdwbzta1119ss9r7cpkuvinte1byuv/file/1343281220509>.

⁴¹ Stipulation and Agreement of Settlement at § 1.8, *Grey Fox, LLC et al. v. Plains All American Pipeline, L.P. et al.*, No. CV 16-0317 (C.D. Cal April 9, 2024), available at: <https://www.lasflorespipelinesystemsettlement.com/admin/api/connectedapps.cms.extensions/asset?id=a117f30d-1e80-46f4-b704-8cb47a4bddd3&languageId=1033&inline=true>.

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

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

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

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

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

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

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

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

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

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

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

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

⁴⁵ *Id.* at 79.

⁴⁶ *Id.*

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

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

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

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

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

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

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

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

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

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

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

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

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

⁵¹ *Id.*

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

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

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

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

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

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

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

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

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

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

⁵⁵ NRDA, *supra* note 8, at 4.

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

⁵⁷ *Refugio oil spill cleanup costs near \$100 million*, Pacific Coast Business Times (June 27, 2015), <https://www.pacbiztimes.com/2015/06/27/refugio-oil-spill-cleanup-costs-near-100-million/>

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

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

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

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

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

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

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

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

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

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

⁶¹ Q2 Report, *supra* note 32, at 6.

⁶² *Id.* at 1.

⁶³ *Id.* at 31.

⁶⁴ *Id.*

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

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

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

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

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

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

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

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

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

⁶⁸ Q2 Report, *supra* note 32, at 17.

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

⁷⁰ Q2 Report, *supra* note 32, at 6.

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

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

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

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

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

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

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

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

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

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

⁷⁴ See 14 CCR § 791.7(h).

⁷⁵ See 14 CCR § 791.7(h).

⁷⁶ See *id.*

⁷⁷ See 14 CCR § 791.7(h)(B).

⁷⁸ See *id.*

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

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

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

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

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

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

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

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

⁸⁰ *Id.*

⁸¹ *Id.*

⁸² NRDA, *supra* note 8, at 4.

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

⁸⁴ See 14 CCR 791.7(h)(B).

⁸⁵ SYU Permit, Condition XI-2.w.

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

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

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

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

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

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

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

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

⁸⁷ See SYU Permit, Condition XI-2.w.

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

⁸⁹ *Id.*

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

⁹¹ County Code, § 25B-10(b).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

¹⁰¹ *Id.*

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

¹⁰³ LFP Permit, Condition A-7.

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

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

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

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

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

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

¹⁰⁴ *Id.*, emphasis added.

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

¹⁰⁶ *Id.* at 2-5.

¹⁰⁷ *Id.* at 2-24.

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

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

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

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

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

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

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

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

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

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

¹¹¹ See 14 CCR § 816.03(b)(E), (F).

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

¹¹³ LFP Permit, Condition P-5.

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

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

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

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

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

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

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

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

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

¹¹⁵ Staff Report, *supra* 52, at 17.

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

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

¹¹⁸ County Code, § 25B-10(a)(9).

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

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

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

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

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

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

¹¹⁹ Sable Offshore Corp., *Application for Change of Owner, Operator and Guarantor of Oil and Gas Facilities: Santa Ynes Unit (“SYU”) Project*, p. 4. (March 14, 2024), available at: <https://cosantabarbara.app.box.com/s/urqblguikn7jlo1igrq5yz55zyiveo7k/file/1489580351768>.

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

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

¹²² *Id.*

¹²³ *Id.*

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

¹²⁵ Q2 Report, *supra* note 32, at 6.

¹²⁶ *Id.* at 31.

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

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

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

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

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

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

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

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

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

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

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

¹³¹ ICP, *supra* note 112, at 14-4.

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

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

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

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

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

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

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

¹³³ See Santa Barbara County Planning Department Determinations of Application Incompleteness, available at <https://cosantabarbara.app.box.com/s/urgblguikn7jlo1igrq5yz55zyiveo7k>.

¹³⁴ See *id.*

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

¹³⁶ See *id.*

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

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

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

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

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

VI. Conclusion

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

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

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

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

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

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

¹⁴³ County Code, § 25B-1.

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

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

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

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

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

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

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

Thank you for your consideration.

Sincerely,



Linda Krop,
Chief Counsel



Jeremy Frankel,
Staff Attorney

Attachments:

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

I. Sable's Applications to OSPR for CFRs

J. OSPR's Response to Public Records Act Request

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

APPENDIX:
FINDINGS THAT LACK SUBSTANTIAL EVIDENCE

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

<p>Financial Guarantees: Sections 25B-9(a)(2), 25B-9(e)(1), and 25B-10(a)(2)</p> <p>“All necessary instruments or methods of financial responsibility approved by the county and necessary to comply with the permit and any county ordinance have been updated, if necessary, to reflect the new owner(s) or operator and will remain in full effect following the ownership or operator change.”</p>	<ol style="list-style-type: none"> 1. Sable has not demonstrated that it has the financial capacity to remediate a worst-case spill from these facilities, as required by Condition XI-2.w. (<i>See Part II.A.</i>) 2. Sable has not obtained a final CFR for its facilities, as required by Condition XI-2.w. (<i>See Part II.B.</i>) 3. Sable has not posted a performance bond for the abandonment of these facilities, which can — and should — be required under Condition XIX-1. (<i>See Part II.C.</i>)
<p>Compliance Plans: Section 25B-10(a)(6)</p> <p>“The current owner and proposed operator have updated, where applicable, any . . . oil spill contingency plan, or equivalent approved plans, with current emergency contact information pertaining to the new operator.”</p>	<ol style="list-style-type: none"> 1. Sable has not submitted an Oil Spill Contingency Plan that encompasses its subsea pipelines. (<i>See Part IV.</i>)
<p>Operator Capability: Section 25B-10(a)(9)</p> <p>“The proposed operator has the skills, training, and resources necessary to operate the permitted facility in compliance with the permit and all applicable county codes and has demonstrated the ability to comply with compliance plans listed in section 25B-10.1.f.”</p>	<ol style="list-style-type: none"> 1. Sable has not demonstrated that it has the resources necessary to operate these facilities, as it may run out of capital prior to restart. (<i>See Part II.A.</i>) 2. Sable has not demonstrated that it can comply with an Oil Spill Contingency Plan, as it failed to submit a plan that encompasses its subsea pipelines, and it lacks the financial resources to comply with such a plan. (<i>See Part II.A and Part IV.</i>) 3. Sable has not shown that it can be trusted to reliably operate these facilities. (<i>See Part V.</i>)

POPCO Permit: Application for Change of Operator and Guarantor

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

LFP Permit: Application for Change of Operator and Guarantor

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

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

Attachment A



U.S. Department
Of Transportation

1200 New Jersey Ave., SE
Washington, DC 20590

**Pipeline and
Hazardous Materials
Safety Administration**

May 18, 2016

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

Dear Mr. Gorham:

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

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

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

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

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

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

More specifically, PHMSA will be responsible for:

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

CASFM will be responsible for:

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

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

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

Sincerely,



Zach Barrett
Director for State Programs
Office of Pipeline Safety

ACKNOWLEDGED:



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

Attachment B

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

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

No Project, Existing Pipeline Restart Alternative

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

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

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

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

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

Risks to Public Safety

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

Crude Pipeline Spill Volumes

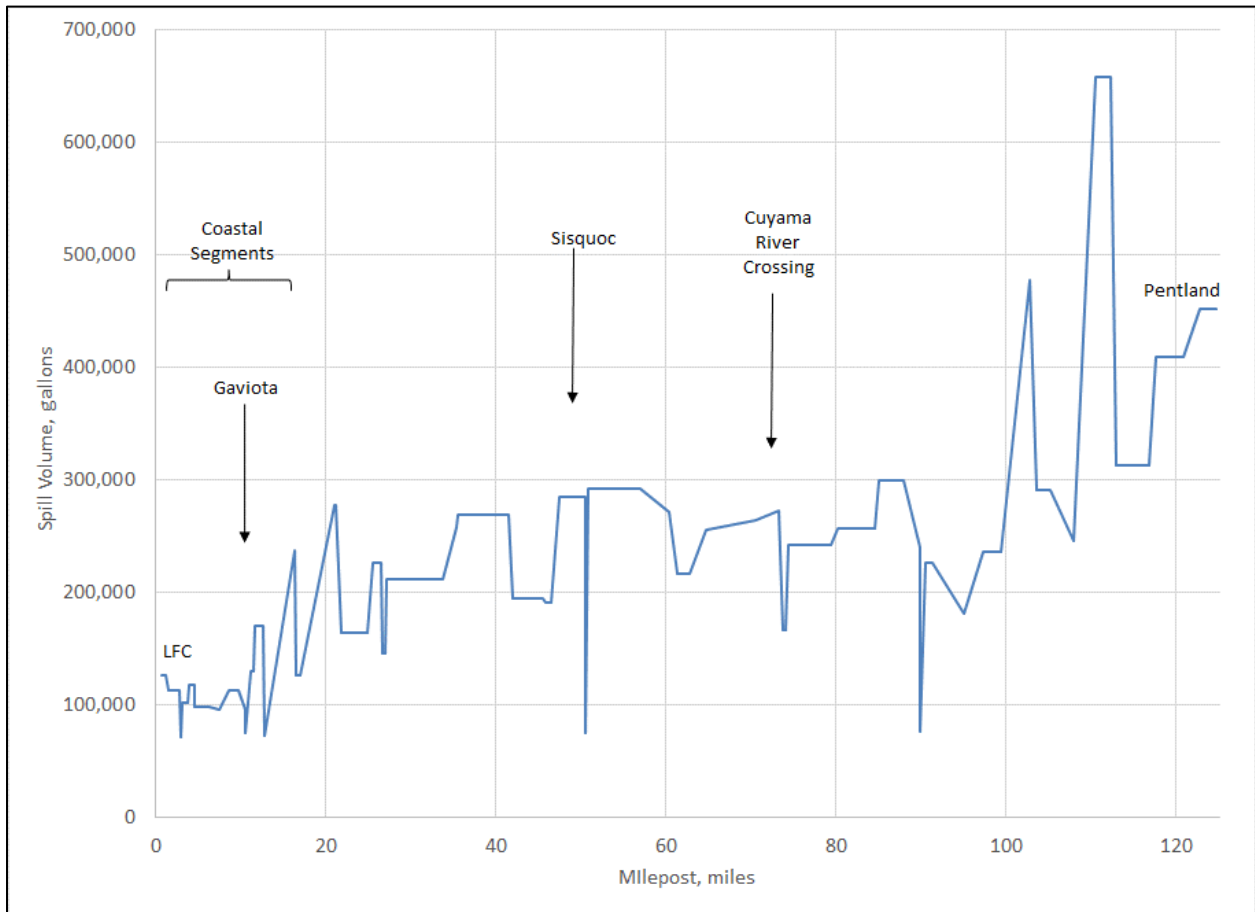
The spill volumes for this alternative were calculated based on the pipeline size, which would be larger than the proposed Project, and the associated terrain for different segments of the pipeline. The Applicant

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

Crude Pipeline Spill Frequencies

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

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



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

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

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

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

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

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

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

Crude Pipeline Population Densities

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

Crude Pipeline Fires

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

Gas Pipeline

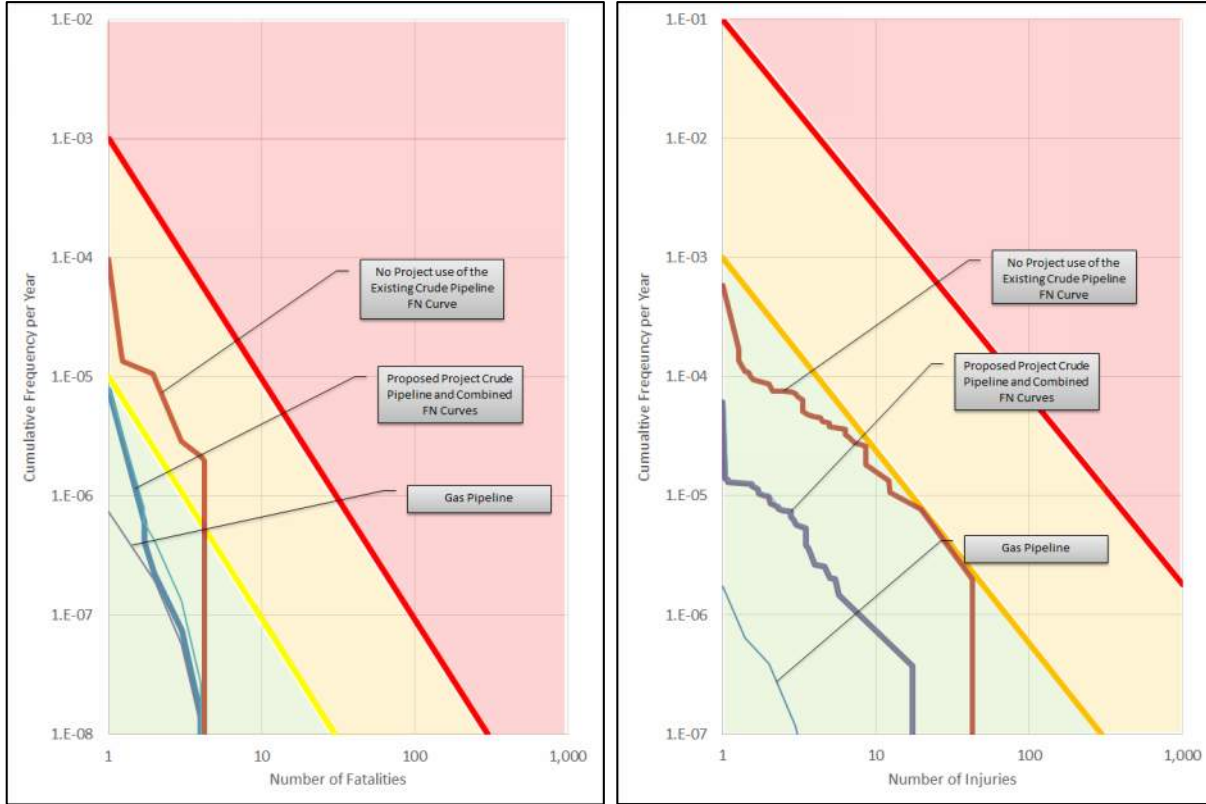
The proposed gas pipeline would not be installed as part of this alternative since heaters at Sisquoc would not be installed.

Alternative Pipeline: Public Safety Risk

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

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

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



Source: Plains 2019 with modifications

Risks to the Environment

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

Crude Pipeline Spill Volumes

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

Crude Pipeline SCADA System

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

Proposed Project Pipeline: Spills Affecting Marine Resources

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

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

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

Potential Impacts

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

Risks to Schools

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

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

Attachment C

CALIFORNIA COASTAL COMMISSION

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

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

September 27, 2024

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

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

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

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

Dear Mr. Rusch:

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

¹ Please note that the description herein of the violation at issue is not necessarily a complete list of all unpermitted development on the subject property that is in violation of the Coastal Act and the Santa Barbara County LCP. Accordingly, you should not treat the Commission's silence regarding (or failure to address) other unpermitted development on the subject property as indicative of Commission acceptance of, or acquiescence in, any such development. Please further note that the term "violation" as used throughout this letter refers to alleged violations of the Coastal Act/County LCP.

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

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

Violations

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

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

*"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; **grading, removing, dredging, mining, or extraction of any materials**; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act...change in the intensity of use of water, or of access thereto; **construction, reconstruction, demolition, or alteration of the size of any structure...***
(emphasis added)

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

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

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

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

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

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

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

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

Resolution

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

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

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

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

Enforcement Remedies

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

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

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

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

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

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

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

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

Steve Rusch
Sable Offshore Corp.
Page 6

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

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

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

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

Sincerely,



Jo Ginsberg,
Enforcement Analyst

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

Attachment D



September 26, 2024

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

Dear Mr. Mills:

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

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

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

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

II. Bonding requirements under Public Resources Code section 3205.8.

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

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

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

III. Additional requirements for production facilities.

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

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

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

Sincerely,

Courtney Kasberg

Courtney Kasberg

Attachment E

Jeremy Frankel

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

Good afternoon Jeremy,

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

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

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

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

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

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

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

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

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

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

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

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

Have a lovely weekend!

Thanks,

Rachel Fabian, PhD (she/her)

Response Certification & Planning Unit Supervisor

Preparedness Branch

Office of Spill Prevention and Response

California Department of Fish and Wildlife

(916) 616-0355

From: Jeremy Frankel <jfrankel@environmentaldefensecenter.org>

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

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

Cc: Linda Krop <lkrop@environmentaldefensecenter.org>

Subject: Sable Offshore's Contingency Plans

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

Hi David and Rachel,

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

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

Thanks,



JEREMY FRANKEL (he/him/his)

STAFF ATTORNEY

906 Garden Street

Santa Barbara, CA 93101

805.963.1622 x100

www.EnvironmentalDefenseCenter.org



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

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Attachment F

HAZARDOUS MATERIALS NON-EMERGENCY/MINOR SPILL/RELEASE

INCIDENT REPORT FORM

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

1. INCIDENT AND RESPONSE DESCRIPTION

911 CALLED? Yes No

Date / Time Discovered	9:13:24 00:39	Date / Time	Discharge Stopped
Incident Reporting Date / Time	9:13:24 02:28 NCR / 02:33 Cal OES / 02:33 CUPA		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Incident Business / Site Name	Sable Offshore Corp, Las Flores Canyon Facility		
Incident Address	12000 Calle Real Goleta Ca 93117		
Other Locators (Bldg, Room, Oil Field, Lease, Well #, GIS)	Oil TREATMENT Plant		
Please describe the incident and indicate specific causes and area affected.			
See attached			
Indicate actions to be taken to prevent similar spills from occurring in the future.			
See attached			

2. ADMINISTRATIVE INFORMATION

Business Name	Sable Offshore Corp.		
Address	12000 Calle Real Goleta Ca 93117		
Supervisor in charge at time of incident	James Esparza	Phone	805 567 9547
Contact Person	Patrice Surmeier	Phone	805 450 6573

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

Chemical	Oil	Quantity	2.5	<input checked="" type="checkbox"/> GAL	<input type="checkbox"/> LBS	<input type="checkbox"/> FT ³
Chemical	Water	Quantity	46	<input checked="" type="checkbox"/> GAL	<input type="checkbox"/> LBS	<input type="checkbox"/> FT ³
Chemical		Quantity		<input type="checkbox"/> GAL	<input type="checkbox"/> LBS	<input type="checkbox"/> FT ³
Clean-Up Procedures & Timeline: See attached						
Completed By			Patrice Surmeier		Phone	
Print Name			Patrice Surmeier		805 450 6573	
Title			Sr. Reg & Compliance Spc		Date and Time	
					9/14/24 10:20	

Santa Barbara County Local Fire Agency Use Only

Date Received	Time	OES Control #	CIR #
Received By	Assigned To		ER <input type="checkbox"/> Yes <input type="checkbox"/> No
Date / Time Reported to 911	Late Report <input type="checkbox"/> Yes <input type="checkbox"/> No	INCIDENT #	
From 911 Dispatch <input type="checkbox"/> Yes <input type="checkbox"/> No	Investigator Requested <input type="checkbox"/> Yes <input type="checkbox"/> No	Time of Request	
Time Responding	Time On Scene	Time Back in Service	<input type="checkbox"/> Joint <input type="checkbox"/> Multi-Agency
PROP 65 <input type="checkbox"/> Yes <input type="checkbox"/> No	DATE/TIME TO HCS	DATE/TIME TO COUNTY OEM	
MATERIAL			VOLUME
HAZARD			EVACUATION/ACCESS RESTRICTED <input type="checkbox"/> Yes <input type="checkbox"/> No
Current Status	<input type="checkbox"/> Clean-Up Underway	<input type="checkbox"/> Pollution Characterization Underway	<input type="checkbox"/> Case Closed (Clean-Up Completed or Unnecessary)
	<input type="checkbox"/> Condition Abated	<input type="checkbox"/> Preliminary Site Assessment Underway	<input type="checkbox"/> Investigation
	<input type="checkbox"/> No Action Taken	<input type="checkbox"/> Other	
COMMENTS			
NOTIFICATION CHECKLIST			
<input type="checkbox"/> COUNTY OEM	<input type="checkbox"/> COUNTY PETROLEUM	<input type="checkbox"/> COUNTY AG COM	<input type="checkbox"/> LOCAL FIRE
<input type="checkbox"/> STATE OES RESPONSE	<input type="checkbox"/> STATE DOGGR	<input type="checkbox"/> STATE FISH & WILDLIFE	<input type="checkbox"/> APCD
		<input type="checkbox"/> ROAD DEPT	<input type="checkbox"/> CAL TRANS
		<input type="checkbox"/> STATE RWQCB	<input type="checkbox"/> CAL OSHA
			<input type="checkbox"/> DTSC
			<input type="checkbox"/> CLERK OF THE BOARD
			<input type="checkbox"/> CHP
			<input type="checkbox"/> EHS

Describe incident and indicate specific causes and area affected

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

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

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

Clean-Up Procedures & Timeline

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

Attachment G

Jeremy Frankel

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

Hi Jeremy,

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

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

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

Thank you and have a great weekend,



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

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

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Thanks, Errin.

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

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

JF



JEREMY FRANKEL (he/him/his)

STAFF ATTORNEY

906 Garden Street

Santa Barbara, CA 93101

805.963.1622 x100

www.EnvironmentalDefenseCenter.org



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

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

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

To: Jeremy Frankel <jfrankel@environmentaldefensecenter.org>

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

Subject: RE: Sable pipeline questions

Hi Jeremy,

Here's what I received from Sable staff:

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

Hope this helps,



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

From: Jeremy Frankel <jfrankel@environmentaldefensecenter.org>
Sent: Tuesday, October 8, 2024 2:02 PM
To: Briggs, Errin <ebriggs@countyofsb.org>
Cc: Nall, Katie <nallk@countyofsb.org>; Linda Krop <lkrop@environmentaldefensecenter.org>; Ybarra, Jacquelynn <jybarra@countyofsb.org>
Subject: RE: Sable pipeline questions

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

Hi Errin,

Just following up on this.

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

Thanks,



JEREMY FRANKEL (he/him/his)
 STAFF ATTORNEY
 906 Garden Street
 Santa Barbara, CA 93101
 805.963.1622 x100
www.EnvironmentalDefenseCenter.org



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

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Attachment H

**CALIFORNIA STATE LANDS
COMMISSION**

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



Established in 1938

JENNIFER LUCCHESI, Executive Officer

916.574.1800

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

Contact Phone: (916) 574-1900

April 10, 2024

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

Dylan Boyer (SENT VIA ELECTRONIC MAIL ONLY:

dylan.w.boyer@exxonmobil.com)

Exxon Mobil Corporation

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

Dear Mr. Boyer:

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

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

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

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

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

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

Sincerely,



Drew Simpkin
Public Land Management Specialist

Attachments

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

**CALIFORNIA STATE LANDS
COMMISSION**

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



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

Contact Phone: (916) 574-1900

May 23, 2024

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

Dylan Boyer (SENT VIA ELECTRONIC MAIL ONLY:

dylan.w.boyer@exxonmobil.com)

Exxon Mobil Corporation

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

Dear Mr. Boyer:

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

Question/response #1:

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

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

Question/response #14

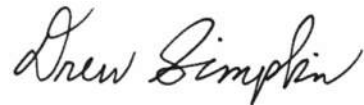
- Include the removal cost estimate for the three power cables under lease 7163 to the Petra cost estimate, dated April 24, 2024.

D. Boyer
May 23, 2024
Page 2

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

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

Sincerely,

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

Drew Simpkin
Public Land Management Specialist

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

**CALIFORNIA STATE LANDS
COMMISSION**

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



Established in 1938

JENNIFER LUCCHESI, Executive Officer

916.574.1800

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

Contact Phone: (916) 574-1900

May 23, 2024

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

Dylan Boyer (SENT VIA ELECTRONIC MAIL ONLY:

dylan.w.boyer@exxonmobil.com)

Exxon Mobil Corporation

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

Dear Mr. Boyer:

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

Question/response #1:

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

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

Question/response #14

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

D. Boyer
May 23, 2024
Page 2

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

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

Sincerely,

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

Drew Simpkin
Public Land Management Specialist

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

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

Contact Phone: (916) 574-1900

August 16, 2024

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

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

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

Dear Mr. Boyer:

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

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

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

D. Boyer
May 16, 2024
Page 2

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

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

Sincerely,



Drew Simpkin
Public Land Management Specialist

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

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

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

Attachment I



**WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via-email will be returned undeliverable.
NOTE: A Contingency Plan is also required, pursuant to Government Code section 8670.29**

Please type or print clearly in English when completing this application. Refer to page 4 of application for instructions on completing this form.

SECTION A. APPLICANT INFORMATION

1. Legal name of applicant: Sable Offshore Corp.

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

Phone Number: (713) 579-6161

Email: Not Applicable

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

845 Texas Ave, Ste 2920, Houston, TX 77002

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

Las Flores Canyon

4. Financial contact person:

Contact Name: Todd Griggs

Title: VP Treasury

Mailing Address:

845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number:

Fax Number:

Email:

(832) 563-6952

Not Applicable

TGriggs@sableoffshore.com

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

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

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

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

Date: October 16, 2020

State: Delaware

6. Certificate recipient (who should receive certificates):

Recipient Name: Todd Griggs

Mailing Address:

845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number:

Fax Number:

Email:

(832) 563-6952

Not Applicable

TGriggs@sableoffshore.com

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

Agent Name: CT Corporation System

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

Phone Number: (844) 878-1800

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

Lessor Name: N/A

Lessor Address: N/A



SECTION B. DESCRIPTION OF INLAND FACILITIES

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

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

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

Las Flores Canyon

Facility Name: Las Flores Canyon

Risk Type _____ or Intermittent

Facility location and reasonable worst case spill volume:

Perennial

12000 Calle Real, Goleta, CA 93117

1 Bbl while active but idle

*RWCS _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS: _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spil

*RWCS: _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS: _____

*Reasonable worst case spill (RWCS) volume reported in applicant's California oil spill contingency plan. (Reference Title 14, California Code of Regulations, section 817.04(k)(3))



INSTRUCTIONS

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

U.S. Mail:

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

Courier Service:

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

Fax: (916) 371-8941

Email: cacofr-facilities@wildlife.ca.gov

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

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

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

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

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

4. Specific instructions relating to the application process:

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

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

Section C - Declaration

Section D - Delegation of Authority

Miscellaneous instructions:

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

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

APPLICATION FOR CERTIFICATE OF FINANCIAL RESPONSIBILITY FOR MARINE FACILITIES



DFW 1924 (Rev.8/14) Page 1

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

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

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

SECTION A. GENERAL INFORMATION

1. Legal name of applicant:

Sable Offshore Corp.

2. Mailing

Texas Ave, Ste 2920

845 Houston, TX 77002

H

3. Telephone:

(713) 579-6161

4. Email address:

Not Applicable

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

Ave,

845 Texas Ave, Ste 2920

Houston TX 77002

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

N/A

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

Contact Name:

Todd G riggs

Title:

VP Treasury

Mailing Address:

845 Texas Ave, Ste 2920

Houston, TX 77002

Telephone number:

(832) 563-6952

Facsimile number:

N/A

Email address:

TGriggs@sableoffshore.com

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

a. Name of parent corporation or owning entities:

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

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

Date: October 16, 2020 State: Delaware

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

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

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

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

SECTION B. GENERAL DESCRIPTION OF THE FACILITY OR FACILITIES

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

applies.
Pipeline

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

Facility Name:

Crude Oil & water emulsion pipeline - portion in state waters from the

Facility location:

ral Santa Ynez Unit to Las Flores Canyon Facility. # 5510190

Fede

SEG

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

Lessor name:

Not Applicable

Lessor address:

Not Applicable

SECTION C. SPECIFIC DESCRIPTION OF FACILITY OR FACILITIES

1. MARINE TERMINAL(S)

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

Description/location: Not Applicable

Reasonable Worst Case Spill volume: Not Applicable

Attach additional spread sheet if necessary

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

- a. Pipeline number or designation

Description/location: Crude oil & water emulsion pipeline from SYU to Las Flores Canyon Facility

Reasonable Worst Case Spill volume: 1 Bbl

Attach more forms as necessary

Attach additional spread sheet if necessary

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

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

Not Applicable

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

Not Applicable %

c. Types of oil products handled.

Not Applicable

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

Not Applicable

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

Description/location: Not Applicable

Reasonable Worst Case Spill volume: Not Applicable

Attach additional spread sheet if necessary

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

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

Not Applicable

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

Yes No

If yes, Issue date: Not Applicable Expiration date:

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

Gross production:

Net Oil:

Not Applicable

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

Gross production:

Net Oil:

Not Applicable

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

Discovery time:

Auto shut-off time:

Manual shut-off time:

Man

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

Type:

Quantity:

Not Applicable

g. Enter the number of oil wells as follows:

Total number of oil wells:

Not Applicable

Number of free-flowing oil wells:

Not Applicable

Total number of oil wells currently in production:

Not Applicable

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

Reasonable Worst Case Spill volume:

Not Applicable

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

a. Type of facility:

Not Applicable

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

1. Daily production (barrels)

Gas production:

Not Applicable

Net oil:

Not Applicable

2. Number of wells producing oil:

Not Applicable

3. Number of free-flowing oil wells:

Not Applicable

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

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

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

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

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

4/9/2024
 DATE

Craig Landry
 Signature
 Vice President, Operations
 Title or Official Capacity

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

SECTION E. DELEGATION OF AUTHORITY BY THE APPLICANT

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

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

 DATE

 Signature
 Vice President
 Title or Official Capacity

INSTRUCTIONS

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

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

U.S. Mail:

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

Courier Service:

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

Fax: (916) 371-8941

Email: cacofr-facilities@wildlife.ca.gov

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

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

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

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

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

5. Specific instructions relating to the application process.

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

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

Section C - Specific Description of the Facility or Facilities:

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

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

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

Section D - Declaration

Section E - Delegation of Authority

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

6. Miscellaneous instructions:

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

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

APPLICATION FOR CERTIFICATE OF FINANCIAL RESPONSIBILITY FOR MARINE FACILITIES



DFW 1924 (Rev.8/14) Page 1

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

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

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

SECTION A. GENERAL INFORMATION

1. Legal name of applicant:

Pacific Pipeline Company

2. Mailing

5 Ave, Ste Houston, TX 77002 2920

3. Telephone:

4. Email address:

Not Applicable

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

845 Texas Ave, Ste Houston, TX 77002 2920

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

N/A

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

Contact Name:

Todd Griggs

Title:

VP Treasury

Mailing Address:

845 Texas Ave, Ste Houston, TX 77002 2920

Telephone number:

(832) 563-6952

Facsimile number:

N/A

Email address:

TGriggs@sableoffshore.com

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

a. Name of parent corporation or owning entities:

Sable Offshore Corp.

Mailing

845 Texas Ave, Ste 2920
Houston, TX 77002

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

Date: October 16, 2020

State: Delaware

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

Recipient Name: Lance Yearwood

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

Telephone number: (832) 434-9461

Facsimile number: N/A

Email address: LYearwood@sableoffshore.com

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

Name: CT Corporation System

Mailing Address: 330 North Brand Blvd
Glendale, CA 91203

Telephone number: (844) 878-1800

SECTION B. GENERAL DESCRIPTION OF THE FACILITY OR FACILITIES

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

Pipeline

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

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

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

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

Lessor name: Not Applicable

Lessor address: Not Applicable

SECTION C. SPECIFIC DESCRIPTION OF FACILITY OR FACILITIES

1. MARINE TERMINAL(S)

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

Description/location: Not Applicable

Reasonable Worst Case Spill volume: Not Applicable

Attach additional spread sheet if necessary

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

- a. Pipeline number or designation

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

Reasonable Worst Case Spill volume: 1 Bbl

Attach more forms as necessary

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

Attach additional spread sheet if necessary

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

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

Not Applicable

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

Ap p l i c a b l e %
Not p l i a b l e

c. Types of oil products handled.

Not Applicable

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

Not Applicable

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

Description/location: Not Applicable

Reasonable Worst Case Spill volume: Not Applicable

Attach additional spread sheet if necessary

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

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

Not Applicable

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

Yes No

If yes, Issue date: Not Applicable Expiration date:

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

Gross production: Not Applicable Oil: Net

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

Gross production: Not Applicable Net Oil:

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

Discovery time: Auto shut-off time: Manual shut-off time:

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

Type: Not Applicable Quantity:

g. Enter the number of oil wells as follows:

Total number of oil wells: Not Applicable
Number of free-flowing oil wells: Not Applicable
Total number of oil wells currently in production: Not Applicable

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

Reasonable Worst Case Spill volume: Not Applicable

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

a. Type of facility: Not Applicable

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

- 1. Daily production (barrels)
Gas production: Not Applicable
Net oil: Not Applicable
- 2. Number of wells producing oil: Not Applicable
- 3. Number of free-flowing oil wells: Not Applicable

INSTRUCTIONS

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

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

U.S. Mail: Department of Fish and Wildlife Office of Spill Prevention and Response P.O. Box 944209 Sacramento, CA 92444-2090 Fax: (916) 371-8941	Courier Service: Department of Fish and Wildlife Office of Spill Prevention and Response 1010 Riverside Parkway West Sacramento, CA 95605
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Email: cacofr-facilities@wildlife.ca.gov

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

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

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

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

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

5. Specific instructions relating to the application process.

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

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

Section C - Specific Description of the Facility or Facilities:

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

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

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

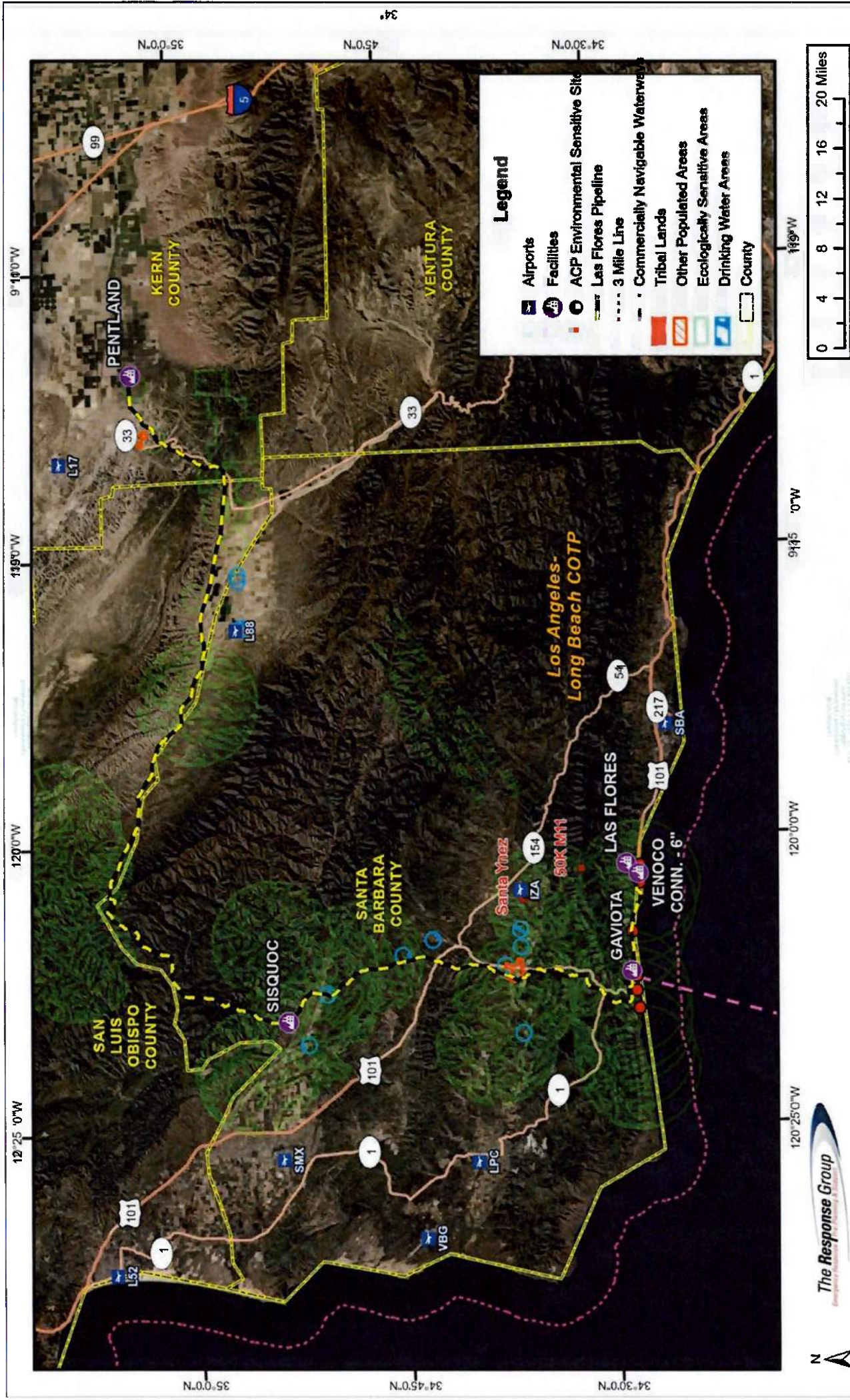
Section D - Declaration

Section E - Delegation of Authority

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

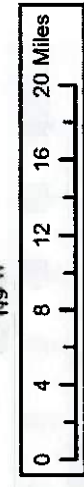
6. **Miscellaneous instructions:**
 - a. If a question does not apply, answer "not applicable."
 - b. Incomplete applications will not be processed until OSPR receives additional information needed for processing.
 - c. If additional space is required, supplemental sheets may be attached.

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



Legend

- Airports
- Facilities
- ACP Environmental Sensitive Site
- Las Flores Pipeline
- 3 Mile Line
- Commercially Navigable Waterways
- Tribal Lands
- Other Populated Areas
- Ecologically Sensitive Areas
- Drinking Water Areas
- County



12°25'0"W 120°0'0"W 119°0'0"W 9°10'0"W
 34°30'0"N 34°45'0"N 35°0'0"N
 SAN LUIS OBISPO COUNTY
 SANTA BARBARA COUNTY
 KERN COUNTY
 VENTURA COUNTY
 Los Angeles-Long Beach COTP
 LAS FLORES
 GAVIOTA
 VENOCO CONN. - 6"
 Santa Ynez
 50K M11
 SBA
 L52, L53, L33, L47, L88, L17, L1, L2, L3, L4, L5, L6, L7, L8, L9, L10, L11, L12, L13, L14, L15, L16, L18, L19, L20, L21, L22, L23, L24, L25, L26, L27, L28, L29, L30, L31, L32, L34, L35, L36, L37, L38, L39, L40, L41, L42, L43, L44, L45, L46, L48, L49, L50, L51, L54, L55, L56, L57, L58, L59, L60, L61, L62, L63, L64, L65, L66, L67, L68, L69, L70, L71, L72, L73, L74, L75, L76, L77, L78, L79, L80, L81, L82, L83, L84, L85, L86, L87, L89, L90, L91, L92, L93, L94, L95, L96, L97, L98, L99, L100



50K M11

SANTA BARBARA COUNTY
Los Angeles-Long Beach COTP

LAS FLORES

VENOCO CONN. - 6"

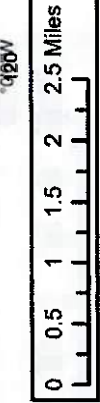
GAVIOTA

101

1

Legend

- Airports
- Facilities
- ACP Environmental Sensitive Site
- CA-324
- 3 Mile Line
- Commercially Navigable Waterways
- Tribal Lands
- Other Populated Areas
- Ecologically Sensitive Areas
- Drinking Water Areas
- County



Map 11-2008-1223740





**WARNING: For security purposes all ZIP files transmitted to DFW/OSPR via-email will be returned undeliverable.
NOTE: A Contingency Plan is also required, pursuant to Government Code section 8670.29**

Please type or print clearly in English when completing this application. Refer to page 4 of application for instructions on completing this form.

SECTION A. APPLICANT INFORMATION

1. Legal name of applicant: Pacific Pipeline Company

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

Phone Number: (713) 579-6161

Email: Not Applicable

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

845 Texas Ave, Ste 2920, Houston, TX 77002

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

Las Flores Pipeline (Gaviota to Pentland)

4. Financial contact person:

Contact Name: Todd Griggs

Title: VP Treasury

Mailing Address:

845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number:

Fax Number:

Email:

(832) 563-6952

Not Applicable

TGriggs@sableoffshore.com

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

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

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

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

Date: October 16, 2020

State: Delaware

6. Certificate recipient (who should receive certificates):

Recipient Name: Lance Yearwood

Mailing Address:

845 Texas Ave, Ste 2920, Houston, TX 77002

Phone Number:

Fax Number:

Email:

(832) 434-9461

Not Applicable

LYearwood@sableoffshore.com

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

Agent Name: CT Corporation System

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

Phone Number: (844) 878-1800

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

Lessor Name: N/A

Lessor Address: N/A



SECTION B. DESCRIPTION OF INLAND FACILITIES

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

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

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

Las Flores Pipeline System (Gaviota to Pentland)

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

Facility location and reasonable worst case spill volume:
 30-inch diameter crude oil pipeline extends approximately 113 miles in length from Gaviota Station in Santa Barbara County, CA to Pentland Station in Kern County, CA

1 Bbl

*RWCS _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS: _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spil

*RWCS: _____

Facility Name:

Risk Type - Perennial or Intermittent

Facility location and reasonable worst case spill volume:

*RWCS: _____

*Reasonable worst case spill (RWCS) volume reported in applicant's California oil spill contingency plan. (Reference Title 14, California Code of Regulations, section 817.04(k)(3))



INSTRUCTIONS

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

U.S. Mail:

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

Courier Service:

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

Fax: (916) 371-8941

Email: cacofr-facilities@wildlife.ca.gov

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

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

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

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

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

4. Specific instructions relating to the application process:

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

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

Section C - Declaration

Section D - Delegation of Authority

Miscellaneous instructions:

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

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

Attachment J

Jeremy Frankel

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



Dear Jeremy Frankel:

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

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

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

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

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



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

No, we have not received a revised contingency plan.

2. Has Sable submitted revised applications for COFRs?

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

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

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

Attachment K

CALIFORNIA COASTAL COMMISSION

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

**VIA CERTIFIED AND ELECTRONIC MAIL**

10/04/2024

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

Sable Offshore Corporation
12000 Calle Real
Goleta, CA 93117

Subject: Confirmation of Suspension of Current Operations

Dear Ms. Bertrand and Mr. Alcock,

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

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

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

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

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

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

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

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

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

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

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

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

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

Sincerely,



Kate Huckelbridge
Executive Director

Sable Offshore Corporation

10/04/2024

Page 4 of 4

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