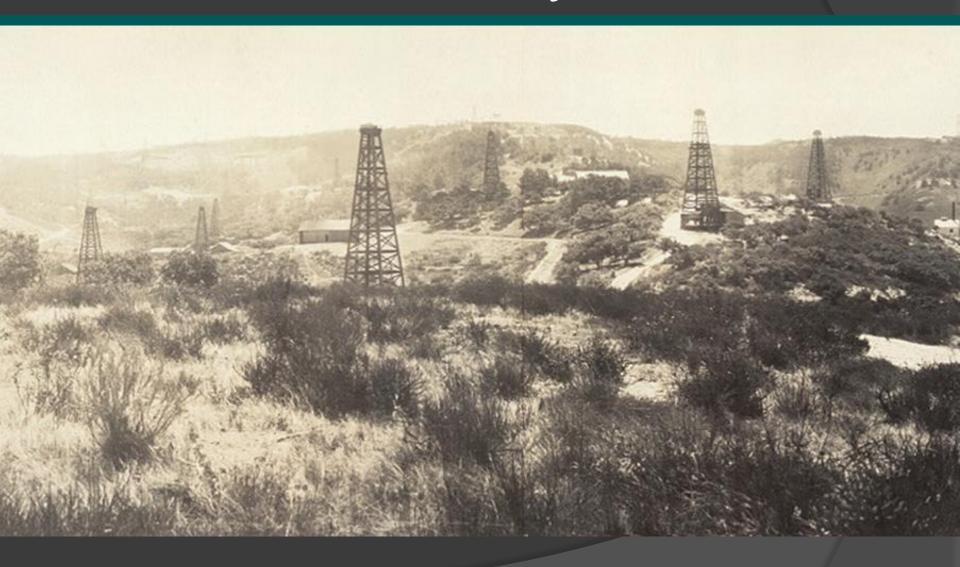


#### PUBLIC FRANCHISE AGREEMENT

January 30, 2018
Santa Barbara County Board of Supervisors
ERG Public Franchise Agreement

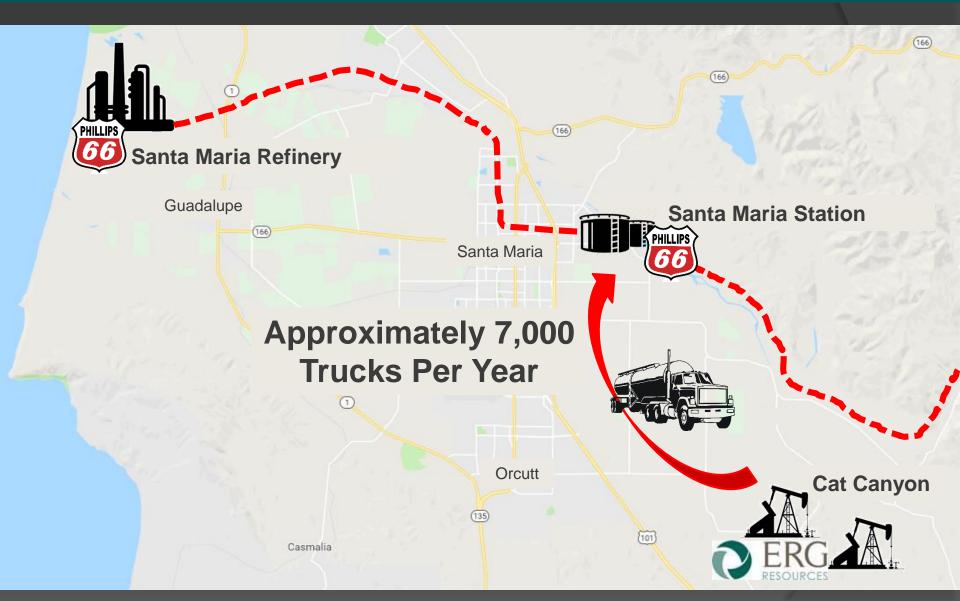
# Historical Cat Canyon



# Modern Cat Canyon



# Project Vicinity



# Project Vicinity



### The Process



### Planning the Project – The Route

- Property Access- Stay within ERG, P66, or County Land
- Biological Resources-Avoid CTS Habitat, Oaks, Native Grassland.
- Agriculture- Minimize
   Permanent Displacement of Cultivation
- Traffic- Bore Under Major Thoroughfares
- Local Residences- Ensure
   Safe Setback



### Multi-Agency Coordination

#### Federal

- Army Corps
- US Fish & Wildlife
- Chumash

#### State

- Fire Marshal
- Cal. Fish & Wildlife
- Regional Water Board

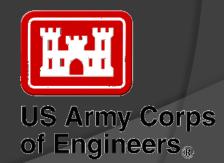
#### Local

- Development Review
- APAC
- Door-to-Door









# Reaching Out



**ERG** California 6085 Cat Canyon Road Santa Maria, CA 93454 Office (805) 937-7216 Fax (805) 233-7926 www.ERGcaliforinia.com

RE: Foxen Canyon Petroleum Pipeline Project

As you may be aware, ERG California is in the process of seeking approvals for construction of a new petroleum pipeline that will transport all our produced oil to refineries for processing into gasoline, aviation fuel, and other products.

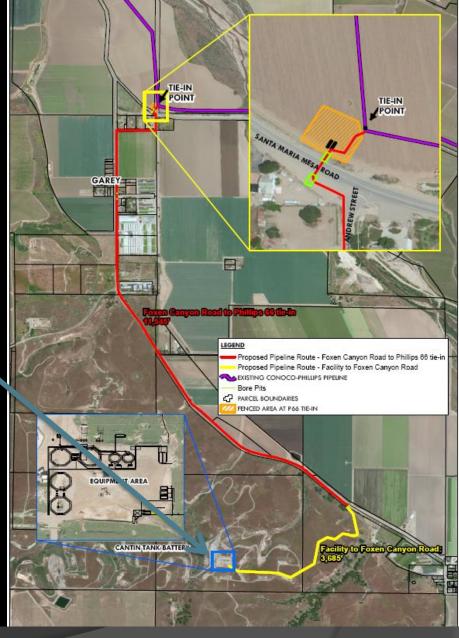
The purpose of the pipeline is three-fold:

- 1. Environmentally Superior Transport transporting oil via pipeline is better for the environment than transport by truck.
- 2. Safety pipelines are safer for both people and the environment.
- 3. Less Impact to the Community the pipeline allows us to remove approximately 7,300 crude oil truck trips per year traveling on your community's roadways.

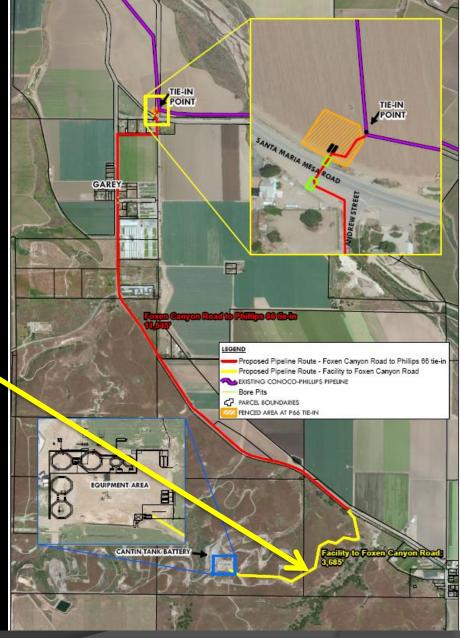
Currently, oil produced in the Cat Canyon field is trucked from ERG's facilities to the Phillips 66 Tank Battery located on Battles Road. The new pipeline system will transport oil from our facilities located along Foxen Canyon Road to hook up with the existing Phillips 66 pipeline.

Once completed the removal of trucking daily crude along your roads will ease local traffic congestion by eliminating approximately 7,300 crude oil transport trucks annually - resulting in less air pollution, less road related dust emissions, noise and less wear and tear on the rural road system.

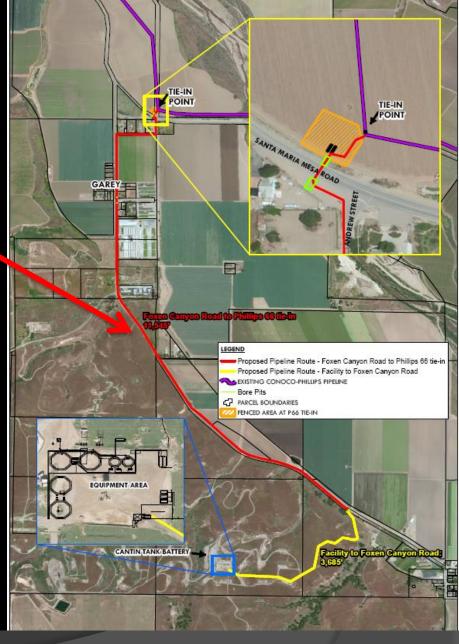




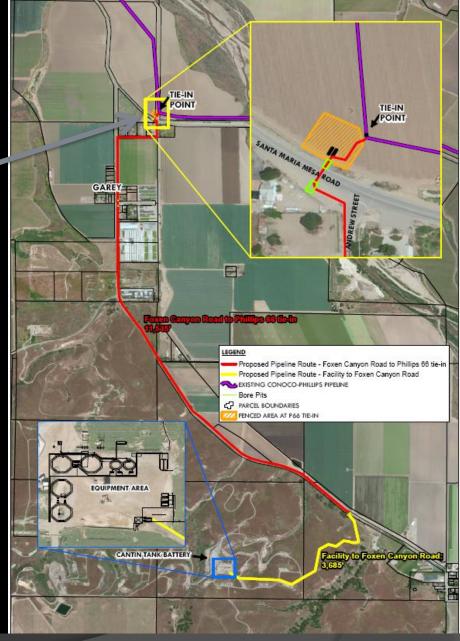












### County Oversight

County Department	Permit	Responsibility
Planning & Development	Development Plan	Oversee safe development of facilities within Public and Private Land
Public Works	Encroachment Permit	Ensure safe development within County rights-of-way and integrity of County roadways & utilities
General Services	Franchise Agreement	Coordinate assessment and collection of fees for use of County property

### The Process



# THANK YOU