

# Santa Barbara County Planning Commission

## Staff Report for Amendments to Oil Transportation Policies and Regulations

Hearing Date: September 22, 2004  
Staff Report Date: September 13, 2004  
Case Nos. 04GPA-00000-00014, and 00015,  
04ORD-00000-00014, and 00015.

Supervisorial District: Countywide  
Staff: John Day  
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Environmental Document: Sec. 15308 categorical exemption

Applicant: Santa Barbara County

### 1.0 REQUEST

Conduct a public hearing at the request of the Board of Supervisors to consider proposed amendments to the Coastal Plan, Land Use Element, and Coastal and Inland Zoning Codes concerning transportation of crude oil produced from offshore reserves.

### 2.0 RECOMMENDATION AND PROCEDURES:

Staff recommends that your Commission recommend to the Board of Supervisors that it adopt the proposed amendments, to update the County's policies and regulations to reflect changes in oil transportation infrastructure, expected future offshore oil production, and California law.

Your Commission's motion should include the following:

(A) Recommend the following to the Board of Supervisors:

1. Adopt revisions to Chapter 3.6.4 of the County's *Coastal Plan*, modifying text and policies to specify pipeline as the primary mode of transporting oil extracted from offshore reservoirs, as recommended in Attachment A of this staff report.
2. Adopt revisions to Land Use Development Policies of the County's *Land Use Element*, modifying text and policies to specify pipeline as the primary mode of transporting oil extracted from offshore reservoirs, as recommended in Attachment B of this staff report.
3. Adopt revisions to Sections 35-87, 35-92, 35-154, and 35-156 of Article II (*Coastal Zoning Ordinance*) of Chapter 35 of the Santa Barbara County Code, as recommended in Attachment C of this report, as follows:

- a) Repeal Sections 35-87.3.3 and 35-92.3.3, delisting marine terminals as a permitted use in the Coastal Dependent Industry (M-CD) and Coastal Related Industry (M-CR) zone districts, respectively.
  - b) Revise Section 35-154.5.i, amending development standards for approval of oil/gas processing facilities, regarding transport of crude oil to final refining destination.
  - c) Repeal Section 35-156, Marine Terminals.
4. Adopt revisions to Sections 35-236, 35-296, 35-298 of Article III (*Inland Zoning Ordinance*) of Chapter 35 of the Santa Barbara County Code, as recommended in Attachment D of this report, as follows:
- a) Repeal Section 35-236.3.3, delisting marine terminals as a permitted use in the Coastal Related Industry (M-CR) zone district.
  - b) Revise Section 35-296.5.1.h and 35-296.5.1.k, amending development standards for approval of oil/gas processing facilities, regarding transport of crude oil to final refining destination.
  - c) Repeal Section 35-298, Marine Terminals.
5. Adopt the CEQA finding contained in Section 6.2.1 of this report, determining the recommended amendments to the Coastal Plan, Land Use Element, and Coastal and Inland Zoning Ordinances to be categorically exempt from environmental evaluation pursuant to the CEQA Guidelines Section 15308; and adopt legislative findings in Section 6.2.2.

Today’s proposed actions comprise Planning Commission recommendations to the Board of Supervisors. The Planning Commission’s recommendations, along with the public record leading to those recommendations, will be transmitted to the Board of Supervisors and the Board will consider those recommendations in a duly noticed public hearing. In so doing, the Board will consider whether or not to concur with those recommendations, or a revised version thereof. The Planning Commission would reconsider any substantial revisions, as directed by the Board.

### **3.0 JURISDICTION**

Your Commission conducts this hearing pursuant to the authority vested in local government by the State of California to regulate land use and protect public health, safety, and welfare in a manner consistent with Federal and State laws. Additionally, California law mandates each county and city to “adopt a comprehensive, long-term general plan for the physical development of the county or city ...” (California Government Code, Section 65300). California law also establishes procedural requirements by which comprehensive, long-term general plans and zoning laws are amended (California Government Code, Sections 65350 – 65854).

Further, the California Coastal Act mandates the coastal counties and cities of the State to adopt and update Local Coastal Programs and implement the coastal-management provisions of the Act (California Public Resources Code, Sections 30510 – 30526).

### **4.0 ISSUE SUMMARY**

The County's oil transportation policies and related regulations, adopted in 1984/5, require offshore producers who land oil in Santa Barbara County to use overland pipelines, if feasible, to transport oil to refining centers. Overland pipelines are environmentally superior to marine vessels. Pipelines are less likely to cause uncontrollable, catastrophic oil spills. Pipelines also emit far less air pollution than marine vessels and are more compatible with the scenic character and recreational uses of the coastline than tanker terminals.

At the time the current policies were adopted, extensive offshore leasing was under way, and anticipated future offshore oil production far exceeded the capacity of the then-existing pipelines. Pipelines had been proposed, but were not expected to be operational in time to accommodate the escalating production. Under these circumstances, and with the understanding that pipeline transport was the environmentally superior option, the policies were formulated to allow tankering of oil, but only to the extent necessary, and only until pipelines were built and pipeline transport became feasible. The policies are part of a package of measures that balanced the need for offshore oil development against its significant adverse effects on the environment, by mitigating those impacts to the maximum extent feasible.

Twenty years later, the context has transformed. All the marine terminals but one that previously operated in the tri-county area have been decommissioned.<sup>1</sup> Pipelines have been constructed, and now operate well below capacity. Future production from existing leases can be accommodated by the existing infrastructure, without recourse to tankering. The offshore operators have clearly demonstrated that pipeline transport is feasible. Furthermore, revisions in 2003 to the California Coastal Act (Public Resources Code Section 30262, amended by AB-16) prohibit marine transport of oil produced from new or expanded offshore operations.

The proposed amendments are a straightforward update of the County's oil transportation policies and ordinances to bring them into conformity with present-day circumstances and State law. The updates are a continuation of the policy direction clearly set out 20 years ago, rather than a change of direction. The main effects of the amendments would be 1) to remove exceptions that allowed tankering of Santa Barbara's offshore production before adequate pipelines were built, and 2) to repeal sections potentially enabling construction of marine terminals on the South Coast. The amendments would not be applicable to onshore producers, would not affect current offshore-related operations, and would not infringe on vested rights of the one remaining marine terminal.

## **5.0 PROJECT INFORMATION**

### **5.1 Historic Context**

The County's oil transportation policies were adopted in 1984/5, at a time of intense pressure to develop oil reserves offshore Santa Barbara County. Between 1968 and 1984, extensive offshore tracts were leased for oil and gas development, including over 200 Federal leases on the outer continental shelf (OCS) and 35 leases on the State Tidelands. Much of the leasing took place in just a few years, from 1979 to 1984. A number of new platforms were proposed in the Santa Barbara Channel and Santa Maria Basin. Applications had been submitted for three new tanker

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<sup>1</sup> Ellwood Marine Terminal continues to operate as a legal, nonconforming use.

terminals and two new pipeline systems, and a third pipeline system had been publicly announced, to transport the anticipated high volumes of crude oil to refining centers in the Los Angeles and San Francisco Bay areas. The volume of oil produced offshore and landed in Santa Barbara County in 1984 was under 50,000 barrels per day (50 MBD), but production was expected to ramp up to a peak rate of 500 MBD in 1991, a ten-fold increase in 7 years. The Oil and Gas Journal forecast even higher peak production rates of 800 MBD. The anticipated production rates far exceeded the capacity of the then-existing pipelines. In particular no pipeline yet existed to transport oil that would be landed on the Gaviota coast.

Since the first Federal OCS lease sale offshore Santa Barbara in 1966, the County has been on record as opposing tankering. Those concerns were articulated, analyzed, and solidly grounded in the 1984 Oil Transportation Plan. Objectives of the study included comparing the environmental impacts of marine tankers, rail, and pipeline transport of crude oil, and defining the least environmentally damaging, economically feasible method or combination of methods for transporting the projected oil production to refining centers. The study found pipelines both economically feasible and the environmentally preferred transportation mode. The environmentally superior solutions for transporting 500 MBD of oil maximized the use of pipelines and minimized tankering, especially in the long term. However, the study recognized the probable need for interim transport of some fraction of the oil via rail or tanker, until such time as adequate pipelines were built and operating.

The study provided much of the foundation for the current policies. The policies were formulated to strongly favor pipelines over tanker or rail transport. However, the policies allowed for tankering if a shipper's refinery of choice is not served by pipeline or if pipeline transport is technically or economically infeasible. They also provide for construction of up to one additional marine terminal on the Gaviota coast, if needed. The policies envisioned the development of pipelines to Bakersfield, and from there to McCamey (Texas) and Los Angeles, which would obviate the need for marine terminals and vessel shipments once operational. Hence, the policies require that when pipeline transport becomes feasible, marine terminals become non-conforming uses, and construction or modification of crude oil processing facilities would be permissible only if the oil is transported by pipeline.

Offshore development subsequent to 1984 was moderated by several factors, including lower than expected yields from some leases, and a prolonged period of low oil prices, followed by termination of most of the offshore leases. Federal OCS leasing offshore California was halted with the 1990 Presidential moratorium and an ongoing Congressional moratorium. The moratorium has since been extended to 2012.

Meanwhile, the offshore production rate peaked in 1995 at 180 MBD, far below the projections made in 1984. As of 2004, production has decreased to less than 70 MBD. Today, there are 27 producing leases<sup>2</sup> on the Federal Outer Continental Shelf in the tri-county area and 2 leases on State Tidelands. 36 undeveloped leases remain on the OCS, and three more remain on State

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<sup>2</sup> In addition, there are 10 non-producing leases located within producing units and 2 previously producing leases on the OCS.

Tidelands offshore Naples.<sup>3</sup> Over 95% of the County's current offshore production is transported to refinery by pipeline, with the remaining 4-5% carried by barge in 2-3 monthly shipments from the Ellwood Marine Terminal.

Production from existing projects is projected to increase by 20-30 MBD for 2-3 years due to new drilling on Federal lease 451E, and could also increase from extensions of ongoing projects. Remaining reserves in existing Federal and State leases in the western Santa Barbara Channel and Santa Maria Basin are estimated at 1.2-1.3 billion barrels.<sup>4</sup> This figure is roughly comparable to Santa Barbara's offshore production 1980 to 2004 (0.7 billion barrels).

## **5.2 Regulatory Setting**

As discussed above, the County's 1984 policies and ordinances provided for tankering and marine terminals until pipeline transport became feasible. These policies are consistent with the California Coastal Act provisions on industrial development (P.R.C. Sec. 30260 et seq.) that existed at the time. The Act allowed tankering, subject to requirements intended to minimize adverse environmental impacts. Section 30262 was amended in 2003 (Assembly Bill 16) to require pipeline transport of oil produced from new or expanded offshore operations. The amendments were motivated by the widely-recognized fact that pipelines are less likely than tankers to have catastrophic, uncontrollable oil spills into sensitive marine and coastal environments. The text of P.R.C. Sec. 30262, as amended, is included in Attachment E.

Important changes in Federal laws have also taken place since 1990, affecting offshore oil production and oil transportation. Several catastrophic oil spills from marine tankers worldwide stimulated tougher laws and regulations to reduce the incidence of marine tanker spills and clarify the shippers' and carriers' liabilities for such spills. Among other provisions, the Oil Pollution Act of 1990 requires use of double-hulled tankers by the mid-2010s and requires tankers to provide financial responsibility guarantees.

## **5.3 Project Description**

This project consists of amendments to policies of the Local Coastal Plan and Land Use Element of Santa Barbara County's Comprehensive Plan, and corresponding revisions to the Coastal Zoning and Inland Zoning Ordinances. The proposed amendments apply only to policies and ordinances pertaining to transport of oil produced from offshore reserves. Onshore producers would not be affected.

The proposed textual amendments are shown in full in Appendix A-D. The table below gives an overview of the updates, and Sections 5.3.1-5.3.4 that follow provide section-by-section summaries. Note that minor changes have been made since the proposed amendments were initiated on September 7, 2004, based on comments from California Coastal Commission staff.<sup>5</sup>

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<sup>3</sup> Further production could occur on four leases offshore Carpinteria and three offshore Naples.

<sup>4</sup> *Delineation Drilling Activities in Federal Waters Offshore Santa Barbara, California, Draft EIS*, MMS, 2001.

<sup>5</sup> The changes affect the following sections: Coastal Policy 6-10B; Coastal Zoning Ordinance 35-154.5.i; and Inland Zoning Ordinance 35-296.5.1.k.

	<b>Current Policies/Ordinances</b>	<b>Proposed Updates</b>
<b>Marine Terminals</b>	No new marine terminal is permissible north of Point Conception. One new consolidated marine terminal could be permitted on the South Coast. A new terminal is not a permitted use after an onshore pipeline becomes feasible. Once a pipeline becomes operational, existing marine terminals become legal, non-conforming uses. A marine terminal may be permitted if pipeline transport is not feasible for a particular shipper.	Prohibits new or expanded marine terminals in the County. Repeal policies and related ordinances that enable construction of a marine terminal. The one remaining marine terminal at Ellwood would be allowed to continue operating, as it has a vested right to do, subject to the restrictions on a non-conforming use.
<b>Oil Transportation by Pipeline</b>	Permits for new processing facilities must be conditioned to require oil to be transported to refinery by pipeline if technically and economically feasible and when a pipeline of adequate capacity is available to the refinery of a shipper's choice. Marine transport is allowable in case of emergency or refinery upset.	Require that all oil produced offshore be transported by pipeline to onshore facilities and from there to refineries, with three exceptions: <ol style="list-style-type: none"> <li>1) transport by marine vessel allowed if an operator has a vested right;</li> <li>2) transport by marine vessel allowed in case of a Governor-declared emergency that disrupts pipelines;</li> <li>3) transport by highway or rail may be allowed if oil is too viscous for pipeline transport.</li> </ol>

### 5.3.1 Amendments to the Coastal Plan of the Comprehensive Plan

- Repeal portions of the preamble to *Oil and Gas Processing Facilities* policies.  
*The theme of the paragraphs proposed for repeal is that oil transport by pipeline is environmentally preferable to tankering, but that tankering may still be necessary because pipelines are not yet in place. At such time as pipelines are built and cost of pipeline transport is reasonable, then pipeline transport shall be required. The context described is outdated, as adequate pipelines now exist and pipeline transport is economically feasible.*
- Renumber Policy 6-6A (as 6-10F). [Oil and Gas Processing Facilities]  
*This section concerns equitable, pro-rata access of oil transportation facilities to all shippers. This section is relocated under the new policy heading of Oil Transportation.*
- Revise policy 6-6B. [Oil and Gas Processing Facilities]  
*Delete reference to marine terminals.*
- Revise policy 6-8. [Oil and Gas Processing Facilities]  
*Delete exceptions to requirement for pipeline transport that assume adequate pipelines do not exist. Require pipeline transport according to new Oil Transportation policies.*
- Repeal policies 6-8A through 6-8E. [Oil and Gas Processing Facilities]

*Delete various exceptions to requirement for pipeline transport that assume adequate pipelines do not exist. These sections are superseded by new Oil Transportation policies.*

- Repeal policies 6-10 through 6-12 and the preceding preamble concerning Marine Terminals.  
*These policies are no longer relevant; as construction of new or expanded marine terminals would be precluded by new policy 6-10A (below).*
- Add new preamble concerning Oil Transportation and Policies 6-10A through 6-10F.  
*These policies disallow new or expanded marine terminals and require that oil produced from offshore reserves be transported by pipeline, with a few exceptions. The policies are, in abbreviated form, as follows:*
  - 6-10A – *Prohibits marine terminals or expansion of existing ones. Allows existing marine terminals to continue operating under vested right, with intent to phase out when vested rights are exhausted.*
  - 6-10B – *Requires oil to be transported from offshore to onshore by pipeline. New offshore pipelines to be routed to maximize protection of coastal resources.*
  - 6-10C – *Requires offshore-produced oil, once it is received onshore, to be transported to processing facilities and final refining destination by pipeline, except where marine tankering is a vested right or as provided in the following two sections.*
  - 6-10D – *Allows oil to be transported by highway or rail if it is too viscous for pipeline transport.*
  - 6-10E – *Allows oil to be transported by marine vessel if pipeline transport is disrupted by an emergency that is declared by the Governor.*
  - 6-10F – *Requires equitable, pro-rata access of oil transportation facilities to all shippers. (Renumbered from previous policy 6-6A.)*

### 5.3.2 Amendments to the Land Use Element of the Comprehensive Plan

- Revise preamble to Land Use Development Policy 12.  
*Revision states that adequate pipelines now exist and strengthens the requirement for pipeline transport of offshore-produced oil.*
- Revise Land Use Development Policy 12.  
*Requires all offshore produced offshore to be transported by pipeline to final refining destination, with two exceptions: transport by highway or rail allowed if oil is too viscous for pipeline transport; waterborne transport allowed if pipeline transport disrupted by an emergency declared by the Governor. Deletes exceptions to requirement for pipeline transport that assume adequate pipelines do not exist.*
- Delete Implementing Action statement following Policy 12.  
*The statement is unnecessary. If it were retained, revisions would be needed.*

### 5.3.3 Amendments to the Coastal Zoning Ordinance

- Repeal Sections 35-87.3.3 and 35-92.3.3.  
*Deletes marine terminals as a permitted use in the coastal dependent and coastal related zoning districts.*
- Revise Section 35-154.5.i . [Onshore Processing Facilities]  
*Revision requires all oil produced offshore to be transported by pipeline to final refining destination, with two exceptions: transport by highway or rail allowed if oil is too viscous for pipeline transport; waterborne transport allowed if pipeline transport disrupted by an emergency declared by the Governor. Deletes exceptions to requirement for pipeline transport that assume adequate pipelines do not exist.*
- Repeal Section 35-156. [Marine Terminals]  
*Removes all provisions enabling construction or expansion of marine terminals in the coastal zone.*

#### 5.3.4 Amendments to the Inland Zoning Ordinance

- Repeal Section 35-236.3.3.  
*Deletes marine terminals as a permitted use in the coastal related zoning district.*
- Repeal Section 35-296.5.1.h. [Treatment and Processing Facilities]  
*Removes provision that that presumes adequate pipelines do not exist. This section would be made obsolete by revisions to Section 35-296.5.1.k, below.*
- Revise Section 35-296.5.1.k. [Treatment and Processing Facilities]  
*Revision requires all oil produced offshore to be transported by pipeline to final refining destination, with two exceptions: transport by highway or rail allowed if oil is too viscous for pipeline transport; waterborne transport allowed if pipeline transport disrupted by an emergency declared by the Governor. Deletes exceptions to requirement for pipeline transport that assume adequate pipelines do not exist.*
- Repeal Section 35-298. [Marine Terminals]  
*Removes all provisions enabling construction or expansion of marine terminals in the inland zone.*

## 6.0 PROJECT ANALYSIS

### 6.1 Updates for Current Oil Transportation System

The conclusions of the 1984 Oil Transportation Study remain valid and relevant today, namely, oil transport by pipeline is environmentally superior to tankering. Extreme tanker spills into sensitive marine and coastal environments are more likely than comparable spills from onshore pipelines. Onshore pipeline spills are a serious concern, but they are less likely to be catastrophic in scale or to occur in sensitive habitats. Tanker terminals require large onshore tank farms, increasing the risk of large-scale coastal spills beyond the risk of tanker accidents alone. Tanker terminal facilities, tank farms, tankers moored near shore, and activity of support vessels, create an industrial appearance visually incompatible with the scenic and recreational character of the coastline. Air quality impacts of tankering greatly exceed those of pipelines. Emissions from marine shipping offshore Santa Barbara are a currently a major concern.<sup>6</sup>

In the past 20 years, largely as a result of the 1984 policies and ordinances, the County's oil transportation infrastructure has metamorphosed from a hybrid of tankering and insufficient pipeline system, to a robust common-carrier pipeline system with capacity far in excess of current production needs, and capable of transporting oil production from foreseeable future offshore development. Significant changes in regional marine terminals and pipelines are summarized in Table 1, and are shown on the map included as Figure 1. These changes are as follows:

- In 1984, there were 5 marine terminals operating in the County and about 10 in the tri-county area. All of these terminals have been decommissioned except for Ellwood Marine Terminal. This terminal ships oil produced from Platform Holly by barge 2-3 times per month (less than 5% of Santa Barbara County's total offshore oil production). The County rezoned the onshore portion of the terminal in the early 1990s, rendering it a legal, non-conforming use. The underlying lease with UCSB expires in 11½ years. A consolidated marine terminal that was permitted offshore Las Flores Canyon was never installed, in favor of using new pipeline capacity.
- All American Pipeline<sup>7</sup> (AAPL) was built in the late 1980s. The pipeline runs from the South Coast to Kern County, where it connects to common carrier and proprietary lines to refining centers in the Los Angeles and San Francisco Bay areas. It began operating as a common carrier in 1991 immediately before offshore production began the rapid rise to its 1995 peak. AAPL soon became the backbone of South Coast oil transportation system, carrying all the oil produced from Point Arguello project and ExxonMobil's consolidated processing facility at Las Flores Canyon. AAPL was designed to carry 300 MBD, more than 5 times the 50-60 MBD it currently transports. Due to a lack of demand for the full pipeline capacity, the pumps were modified in the early 1990's to carry a maximum of 180 MBD (improving efficiency and reducing emissions); however, the modifications could be reversed if necessary.

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<sup>6</sup> *The need to Reduce Marine Shipping Emissions: A Santa Barbara County Case Study*, Paper #70055, Santa Barbara Air Pollution Control District, 2003 < <http://www.sbcapcd.org/itg/shipemissions.htm> >

<sup>7</sup> AAPL was recently renamed Plains Pipeline.

- The Sisquoc Pipeline began operating in 1992. It is a common-carrier pipeline which connects AAPL with the Point Pedernales pipeline (ConocoPhillips Line 300), running north to the Santa Maria upgrader refinery in San Luis Obispo County, and then on to the Rodeo and Avon refineries in the Bay Area. It has a permitted capacity of 84 MBD. Current throughput averages about 30 MBD. It is approved for bi-directional flow, allowing flexibility to either transfer oil brought ashore in the northern part of the County to into the AAPL, or to transport South Coast oil into ConocoPhillips' northern pipeline system.
- Pacific Pipeline began operating in 1999 as a common-carrier designed to carry heavy crude from Kern County to Los Angeles refineries. Its capacity is 130 MBD, which significantly augments the existing pipeline capability to transport OCS oil from AAPL to Los Angeles.
- In addition to the new pipelines, several pipelines that were proprietary (or common carrier serving a single operator) in 1984 now operate as common carriers. These include the ConocoPhillips northern lines, ConocoPhillips and Shell lines southbound from Ventura, and Pacific Line 63 southbound from Kern County. Shell's northern line from Bakersfield to the Bay Area is not a common carrier, but carries some OCS oil from AAPL.

Consistent with the amended State law, the proposed amendments provide three exceptions to the requirement for pipeline transport of offshore oil:

1. Transport by marine vessel would be allowed in case of emergency (declared by the Governor) that disrupts pipeline transport. This provision is reworded from the previously existing emergency provision, to be consistent with the new State law.
2. Transport by marine vessel would be allowed for an existing marine terminal, subject to the restrictions on a non-conforming use. Thus the updates would not affect Venoco's permitted operations at Elwood Marine Terminal.
3. If very viscous oil produced in the future were technically infeasible to transport by pipeline, it would be allowable to ship the heavy fraction by highway or rail. This provision it to ensure that the policies do not preclude transport of very heavy crude.

In summary,

THEN (late 1960s to mid-1980s):

- Unprecedented offshore oil/gas leasing (~200 Federal leases offshore the tri-counties)
- Large projections for peak oil production – peaking at 500,000-to-800,000 barrels daily
- Several marine terminal options in the tri-counties
- Limited overland pipeline capacity

NOW (mid-1980s-mid-2000s)

- Lease expirations aplenty (in both State and Federal waters)
- Production less than 100,000 barrels daily
- Marine terminal options down to one, restricted as a legal nonconforming use
- Pipeline systems built and operating with spare capacity

There was an historic understanding in the mid-1980s shared by the offshore oil industry and the County that, as overland pipeline capacity became available, offshore producers would transport crude oil to final refining destinations exclusively by pipeline. What we are recommending today are amendments that respond to the reality of today's oil transportation infrastructure and implement new State law, both of which reflect that historic understanding.

## **6.2 Findings for Adoption of Policies and Ordinances**

### **6.2.1 CEQA Findings**

Adoption of amendments to the County policies and ordinances as proposed here is exempt from the requirements of the California Environmental Quality Act (CEQA) for the following reasons:

The proposed amendments bring the affected County policies and ordinances into consistency with current State law and update them to reflect current physical circumstances in the County, including projected oil production volumes and current oil transportation infrastructure. The amendments reaffirm, strengthen, and clarify existing policies and ordinances that for 20 years have favored oil transport by pipeline and have successfully deterred new marine tankering from the County. The proposed amendments have no foreseeable effect on the physical environment. Only one marine terminal remains in the County. That marine terminal (Ellwood Marine Terminal) is a legal, non-conforming use, which limits its operations to those allowed under existing permits. Capacity of existing pipelines is more than sufficient to transport all projected offshore oil production to refineries.

The proposed amendments qualify under the categorical exemption set forth in the CEQA Guidelines §15308. This section exempts actions taken by a regulatory agency for the protection of natural resources and the environment. The purpose of the affected policies and ordinances is to ensure that oil is transported by pipeline rather than marine tanker, because tankering entails greater risk to the coastal environment. The main reason for proposing the amendments is to ensure that the policies and ordinances continue to provide the maximum feasible protection of coastal resources in the future.

### **6.2.2 Legislative Findings**

The findings of approval required for amendments to Articles II and III of Chapter 35 of the Santa Barbara County Code (*Coastal Zoning Ordinance* and *Inland Zoning Ordinance*, respectively), are prescribed in Sections 35-180.6 and 35-325.5 of the Code, as follows:

- a. The request is in the interests of the general community welfare.*

The intent and purpose of the proposed amendments is to promote the health, safety, and welfare of the public by ensuring that future offshore oil production is transported by pipeline, rather than marine vessel. As compared with tankering, pipeline transport minimizes the risk of extreme oil spills into Santa Barbara's coastal waters, reduces impacts on air quality, and preserves the scenic/recreational character of the coastline.

- b. *The request is consistent with the Comprehensive Plan, the Coastal Land Use Plan, the requirements of State Planning and Zoning laws, and Articles II and III of Chapter 35 of the County Code.*

The amendments to policies and ordinances proposed herein are consistent with the California Coastal Act (CCA). Part of the expressed purpose of the proposed amendments is to update the County's policies and ordinances to be consistent with recent revisions to the Coastal Act (Public Resources Code, Section 30262, as amended by Assembly Bill 16, 2003), which requires all crude oil produced from new or expanded offshore operations to be transported exclusively by pipeline, with several exceptions.

The proposed amendments are consistent with the State's basic goals for the coastal zone (Public Resources Code, Section 30001.5), which include protection of the coastal zone environment, while assuring orderly, balanced utilization and conservation of coastal zone resources, which is evidenced by the following:

1. Overland pipelines are widely accepted as the environmentally superior transportation option for crude oil. Pipelines minimize the risk of extreme oil spills into the coastal and marine environments and reduce other adverse impacts associated with tankering. Pipeline transport of offshore-produced crude oil has become feasible, owing to installation of major new overland pipelines since 1991. All current offshore production landed in the County is transported to refineries via overland pipeline, with the exception of oil shipped by barge from Ellwood Marine Terminal, which operates as a legal, non-conforming use under its vested rights. Except for that one marine terminal, all marine terminals in Santa Barbara and the tri-county area have been decommissioned, and marine transport has ceased in favor of pipeline transport.
2. The currently existing common-carrier pipeline system is more than sufficient to transport current and reasonably foreseeable future offshore oil production, and affords multiple choices of refineries in the Los Angeles and San Francisco Bay areas.
3. The amendments provide for alternate modes of overland oil transport if very heavy oil, which cannot be shipped by pipeline, is produced in future offshore operations. The amendments also provide for oil transport by marine vessel in case of an emergency declared by the Governor or where an operator has vested right to ship by marine vessel.
4. Therefore, the proposed amendments do not affect current offshore operations, infringe on vested rights of the remaining marine terminal, impede future offshore development, or unduly burden commerce. The amendments represent a judicious balancing of protection of coastal resources with the requirements of current and foreseeable offshore oil development.

The amendments to the Coastal Land Use Plan and Land Use Element are being proposed together with corresponding amendments to the Coastal and Inland Zoning Ordinances, assuring internal, vertical consistency between the proposed policies and ordinances.

c. *The request is consistent with good zoning and planning practices.*

Good planning practice requires periodic revisiting of the Comprehensive Plan and Zoning Ordinances, and updating them as necessary to assure their continuing relevance under changing circumstances. The proposed amendments would serve to bring the Coastal Plan and Land Use Element of the Comprehensive Plan and the Coastal and Inland Zoning Ordinances into accord with offshore oil production, in relation to the capabilities of the present-day oil transportation system, and into consistency with current state law.

The proposed amendments revisit the balancing between offshore producers' need to ship oil to refinery, on the one hand, with public welfare and protection of coastal resources, on the other, in light of the present-day oil transportation infrastructure and anticipated future oil production.

## **7.0 APPEALS PROCEDURE**

Not applicable because the Planning Commission's recommendation will automatically be transmitted to the Board of Supervisors for consideration.

## **8.0 ATTACHMENTS**

- A. Proposed Amendments to the Santa Barbara County Coastal Plan
- B. Proposed Amendments to the Santa Barbara County Comprehensive Plan Land Use Element
- C. Proposed Amendments to Article II of Chapter 35 of the Santa Barbara County Code
- D. Proposed Amendments to Article III of Chapter 35 of the Santa Barbara County Code
- E. Text of California Public Resources Code Section 30262, as Amended by AB 16 (2003)

**Table 1. Evolution of Offshore Oil Production and Related Onshore Infrastructure**  
(Santa Barbara County / Tri-county Area)

	At time existing policies were written (1984)	1985 → 2004	Future expectations (2005-2020)
<b>Oil Production<sup>a</sup></b>	<ul style="list-style-type: none"> <li>▪ 1985 production was 49 MBD.</li> <li>▪ Production rate was projected to increase to 500-800 MBD by the early 1990s.<sup>b</sup></li> <li>▪ 90% of projected production was expected to come from South Coast (including Pt. Arguello)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Actual production peaked in 1995 at 180 MBD, far below predictions.</li> <li>▪ Production today averages about 65 MBD (2004 estimate); over 90% of production is from South Coast.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Production rate of currently exploited reserves is expected to continue its declining trend, but with transitory spikes (e.g., new drilling in the 451-E lease may recover an additional 20-30 MBD during 2005-2007).</li> <li>▪ Remaining reserves in existing SB Federal and State offshore leases is estimated at 1.2-1.3 billion barrels,<sup>c</sup> compared to offshore production 1980-2004 of 0.7 Bbbl. In maximum development scenario, production rates would not greatly exceed peak rates of the 1990s.</li> </ul>
<b>Offshore Oil/Gas Leases</b>	<ul style="list-style-type: none"> <li>▪ Approximately 200 OCS leases were issued in Federal waters offshore the tri-county area 1966-1984. (A fraction of these had expired or been relinquished by 1984.)</li> <li>▪ 35 leases were issued in State waters off Santa Barbara prior to 1968. (6 had been quitclaimed by 1984.) Issuance of another eight leases was under consideration between Pt. Arguello and Pt. Conception.</li> </ul>	<ul style="list-style-type: none"> <li>▪ 75 OCS leases remain in the tri-county area. Of these, 36 remain undeveloped. 27 are currently producing.</li> <li>▪ 14 State leases remain, of which 3 are pending quitclaim. Only 2 leases are currently producing (from Platform Holly).</li> <li>▪ Federal leasing moratorium is in effect until 2012, and a State leasing moratorium is in effect without a sunset date (although restricted leasing options are still possible).</li> </ul>	<ul style="list-style-type: none"> <li>▪ Most leases in the eastern S.B. Channel are nearing the end of production life. Leases in the western Channel and Santa Maria Basin may continue producing beyond 2015.</li> <li>▪ Most undeveloped leases are located in the Santa Maria Basin. Future development of these leases is uncertain and depends on 1) the outcome of pending litigation and mediation efforts, 2) results of proposed exploratory drilling, and 3) environmental review and multi-agency project approvals.</li> </ul>
<b>Crude Oil Pipelines</b>	<ul style="list-style-type: none"> <li>▪ Union Oil operated pipelines to move crude oil from northern Santa Barbara County to Union's Santa Maria Refinery (in SLO County). From there, partially refined crude was transported via tanker from Unocal's Avila Marine Terminal and via pipeline to the Bay Area. (The pipelines were technically common carrier, but served only Union Oil.)</li> <li>▪ There were no crude oil transmission pipelines serving processing facilities between Ellwood and Gaviota.</li> <li>▪ Pipelines were seriously inadequate for the volume of oil expected to be landed on the western South Coast.</li> <li>▪ 3 new major pipeline systems were being proposed to move oil from Las Flores and Gaviota to refining centers: Celeron (Las Flores-to-Emidio), Getty (Gaviota-to-Bakersfield), and Arco/Chevron (Gaviota-to-LA).</li> <li>▪ Adequate pipelines existed along the eastern South Coast to move oil produced offshore Carpinteria and Ventura to LA basin refineries.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Pipeline capacity far exceeds current production volumes in the County.</li> <li>▪ Major common carrier pipelines are in operation to transport crude out of the tri-county area include: <u>Eastern region</u> – ConocoPhillips and Equilon lines Ventura to LA. <u>Central region</u> – Plains Pipeline (formerly All American Pipeline) from Gaviota to Pentland (Kern County), connecting to pipelines to Bakersfield, LA area, and Bay Area refineries. Design capacity 300 MBD (425 MBD with additional pumps). Pumps currently downsized for maximum flow of 180 MBD. <u>Northern region</u> – ConocoPhillips pipeline from Santa Maria to Santa Maria Refinery (S.L.O. County) and from there to Bay Area. Pipeline design capacities 84 and 50 MBD. Throughput may be limited by pipeline capacity from refinery to Bay Area (58 MBD).</li> <li>▪ The Sisquoc Pipeline now connects Plains Pipeline with ConocoPhillips' pipelines, allowing transfer of oil between the systems.</li> <li>▪ Pacific Pipeline is now in operation, adding 130 MBD capacity from the San Joaquin Valley to Los Angeles.</li> <li>▪ Several major pipelines to refining centers are now common carriers.</li> </ul>	<ul style="list-style-type: none"> <li>▪ Capacity of existing pipelines in all regions is projected to be sufficient to accommodate peak production for any foreseeable development scenario offshore the tri-county region.</li> <li>▪ Existing capacity exceeds peak production for realistic development scenarios.</li> <li>▪ Short pipeline segments to connect into the existing common carrier system might need to be built if there is major new offshore development (e.g., South Elwood Field or leases in northern Santa Maria Basin).</li> <li>▪ If future development yields crude oil that is too viscous for pipeline transport, that fraction could feasibly be transported by highway or rail.</li> </ul>
<b>Marine Terminals</b>	<ul style="list-style-type: none"> <li>▪ Marine terminals existing in 1984 included: <ul style="list-style-type: none"> <li>– Chevron Estero Bay (SLO Co.)</li> <li>– Unocal Avila Beach (SLO Co.)</li> <li>– Unocal Cojo Bay</li> <li>– Getty Gaviota</li> <li>– Exxon OS&amp;T (offshore Tajiguas)</li> <li>– Exxon El Capitan</li> <li>– Venoco Ellwood</li> <li>– Chevron Carpinteria</li> <li>– Ventura (3 terminals)</li> </ul> </li> <li>▪ Approx. 50 MBD was being shipped by barge and tanker from the South Coast.</li> <li>▪ County received permit applications for 3 tanker terminals in 1983 to accommodate expected production.</li> </ul>	<ul style="list-style-type: none"> <li>▪ All crude oil marine terminals in the tri-county region have been decommissioned, with the exception of Ellwood MT.</li> <li>▪ Ellwood MT operates as a legal, non-conforming use. Production from Platform Holly is about 3.3 MBD, requiring 2-3 barge trips per month.</li> <li>▪ State legislation in 2003 (A.B. 16) amended Public Resources Code (PRC §30262) to prohibit marine transport of oil from new or expanded offshore oil operations.</li> <li>▪ Statewide, marine terminals handling crude oil are now concentrated near refineries in LA/Long Beach and SF regions.</li> </ul>	<ul style="list-style-type: none"> <li>▪ The legal, non-conforming status of the Ellwood Marine Terminal precludes expansion of operations. Possible future expansion of offshore production facilities would require oil transport via pipeline.</li> <li>▪ Construction of new marine terminals is unnecessary, as any foreseeable new production can be transported by existing pipelines.</li> <li>▪ Construction of new marine terminals is inconsistent with PRC §30262, as amended.</li> </ul>

a. Approximate figures given in thousands of barrels per day (MBD)

b. *Oil Transportation Plan and Draft Environmental Impact Report*, 1984. (The Oil and Gas Journal estimated 800 MBD.)

c. *Delineation Drilling Activities in Federal Waters Offshore Santa Barbara, California, Draft EIS*, MMS, 2001.

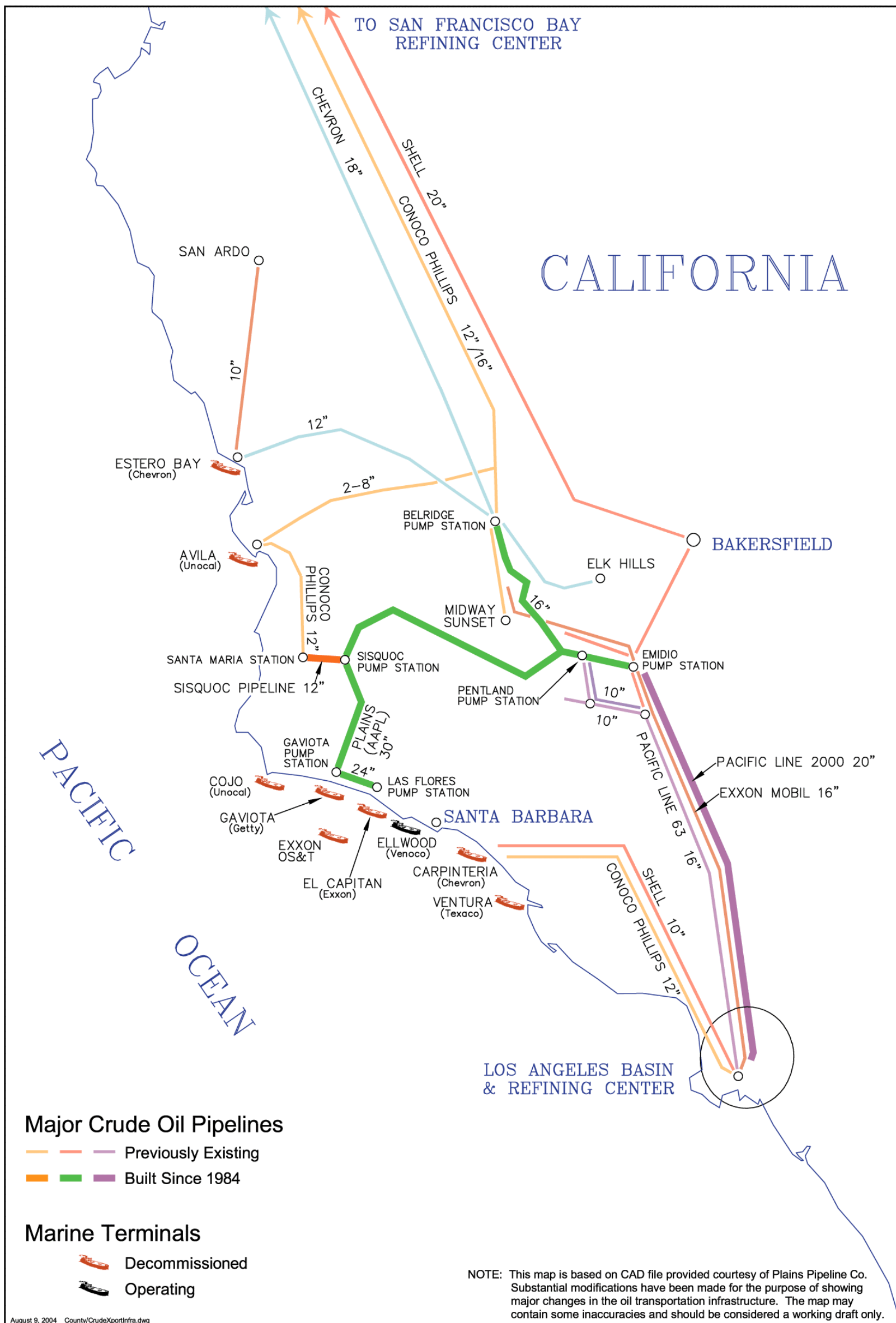


Figure 1. Crude Oil Transportation Infrastructure -- Changes 1984-2004.

Three new pipelines (shown in broad lines) facilitate transport of crude oil from Santa Barbara to refineries: Plains Pipeline (formerly AAPL); Pacific Line 2000; and the Sisquoc Pipeline interconnect. A number of marine terminals have been decommissioned in the Tri-County area while one remains in operation at Ellwood.

**ATTACHMENT A: PROPOSED TEXTUAL AMENDMENTS  
TO THE SANTA BARBARA COUNTY COASTAL PLAN  
CHAPTER 3.6 – INDUSTRIAL AND ENERGY DEVELOPMENT**

The following textual amendments include deletions to existing text (shown in a ~~strikeout~~ font) and additions of new text (shown in an *italicized and underlined* font).

**Repeal Portions of the preamble to *Oil and Gas Processing Facilities* policies (pp. 62-63).**

~~Oil transportation is one of the key issues associated with oil development in Santa Barbara County. Pipelines have been found to be environmentally superior to tankers. Tanker transportation presents greater impacts to marine, visual, recreation and air resources than do pipelines. General pipeline "feasibility" will be determined through the market based on producer choice of refining center, refining capacity in that center, and economic feasibility being tested through ability to obtain financing and the choice to build and operate the pipeline. Once constructed and operational to the refining center of a producer's choice (e.g. Houston, San Francisco, Los Angeles), pipelines shall be the required mode of transportation because they are less environmentally damaging than other modes of transportation. This requirement is based on the assumption that, when operational, pipelines serving various refining centers will have adequate capacity and that the tariffs and costs of transporting the oil to its ultimate refining destination will be reasonable. This "reasonableness" will be based on the balancing of public and private interests in economic and environmental factors. (Adopted by B/S 6/18/84, Resol. #84 284).~~

~~The County should assure that producers have access to competitive markets, however, the County need not provide unlimited flexibility to all producers. Since pipelines are not yet in place and may not be constructed to all refining centers, other methods of oil transportation are needed for production that precedes pipeline construction and operation and for refining centers not served by pipeline. (Adopted by B/S 6/18/84, Resol. #84 284).~~

~~The County recognizes the potential for transportation demand to exceed system capacity and should take affirmative measures to ensure equitable, pro-rata access to the transportation system by all shippers consistent with the County's goals of consolidation. (Adopted by B/S 6/18/84, Resol. #84 284).~~

~~Because of uncertainty regarding crude oil production volumes, industry economics, and permits, there is a need for periodic review of the County's oil transportation policies. (Adopted by B/S 6/18/84, Resol. #84 284).~~

**Renumber Policy 6-6A (as 6-10F) and delete reference in the text preceding it (p. 63).**

~~Policy 6-6A applies to oil and gas processing facilities and sites that serve offshore producers.~~

~~Policy 6-6A If upper throughput limits exist in any new oil transportation system, the County shall, to the maximum extent feasible and legally permissible, assure equitable, pro rata access for all shippers. Permits for oil transportation systems shall require the permittee to achieve County's goals for consolidation. County shall retain continuing permit jurisdiction to assure that these goals are met. For the purposes of this plan, "shipper" shall refer to the entity in legal ownership of the oil to be transported. (Added 7/88).~~

**Revise Policy 6-6B (p. 64).**

~~Policy 6-6B: Except for facilities not directly related to oil and gas processing as referenced in Policy 6-11B (Marine Terminals),~~ This policy applies to areas of the coastal zone that are outside the South Coast Consolidation Planning Area (SCCPA). The SCCPA is the unincorporated area from Point Arguello to the western boundary of the City of Santa Barbara, and from the ridge of the Santa Ynez Mountains to the three mile offshore limit. (Added 12/14/87, B/S Resol. #87 616)

If new sites for processing facilities to serve offshore oil and gas development are needed, expansion of facilities on existing sites or on land adjacent to existing sites shall take precedence over opening up additional areas, unless it can be shown that the environmental impacts of opening up a new site are less than the impacts of expansion on or adjacent to existing sites. Consideration shall also be given to economic feasibility.

**Revise Policy 6-8 (p. 66).**

~~Policy 6-8: If an onshore pipeline for transporting crude oil to refineries is determined to be technically and economically feasible, proposals Any permit approval for expansion, modification, or construction of new oil and gas processing facilities shall be conditioned to require transportation of oil by pipeline, in accordance with policies on Oil Transportation (Policies 6-10A through 6-10F). through the pipeline when constructed, unless such condition would not be feasible for a particular shipper. (Revised 6/18/84, B/S Resol #84-284; 11/19/91, B/S Resol #91-670)~~

**Repeal Policies 6-8a through 6-8e (pp. 66-67).**

- ~~a) Pipeline transportation of crude oil to a refining center served by a pipeline is presumed to be technically and economically feasible and the required method of transportation to that center. (Revised 6/18/84, B/S Resol #84 284).~~
- ~~b) Pipeline transportation of crude oil is presumed feasible for a particular shipper if a pipeline is in operation to the refining center of the shipper's choice. (Revised 6/18/84, B/S Resol #84 284).~~
- ~~e) Crude oil processing facilities shall be conditioned to require that each shipper's oil leaving those facilities be transported by pipeline when a pipeline is in operation to the refining center of the shipper's choice. (Revised 6/18/84, B/S Resol #84 284).~~

- d) ~~Until pipelines become available, and for refining centers not served by pipeline, other modes of oil transportation are allowed consistent with County policies. Rail is not preferred for large volume shipments of oil. (Revised 6/18/84, B/S Resol #84 284).~~
- e) ~~For refining centers served by pipeline, other modes of transportation up to the limits of permitted capacity for those modes, and with assurances that the shipper or transportation facility operator can and will mitigate the environmental impacts caused by the alternate transportation mode, are allowed only under the following circumstances:~~
- ~~1) Pipeline unavailability or inadequate capacity; or~~
  - ~~2) A refinery upset lasting no longer than two (2) months and only where the alternate refining center is not served by pipeline; or~~
  - ~~3) An emergency which may include a national state of emergency. (Revised 6/18/84, B/S Resol #84 284).~~

**Repeal the preamble to *Marine Terminals* policies (pp. 67-68).**

**Marine Terminals**

~~The County has permit jurisdiction over those portions of a marine terminal that are on land (i.e., pipelines, storage tanks) except where the County has been granted jurisdiction over State Tidelands.<sup>2</sup> Those portions of a marine terminal which are seaward of the mean high tide line are regulated by the Coast Guard and the State Lands Commission. Further, the County's "Statement of Policy Relative to the Location of On Shore Oil Facilities" favors no more than one additional marine terminal along the South Coast.~~

~~While the existing policies and regulations appear consistent with the policies of the Coastal Act, policies addressing the location of new marine terminals need to be clarified in two aspects: (1) the status of marine terminals if an onshore pipeline proves to be feasible, and (2) the impact of lease sale #53 on the need for marine terminals between Point Conception and the Santa Maria River.~~

~~The County recognizes the potential for transportation demand to exceed system capacity and should take affirmative measures to ensure equitable access to the transportation system by all shippers entitled to use it consistent with the County's goals of consolidation. Equitable access is intended to prevent non owners of a facility from being forced out of, or not allowed into, transportation facilities. (Added 6/18/84, B/S Resol #84 284).~~

~~The County does not wish to encourage the long term use of marine transportation facilities which are incompatible with surrounding land uses or which possess technological limitations significantly affecting or potentially affecting public health and safety and the environment. (Added 6/18/84, B/S Resol #84 284).~~

~~<sup>2</sup> The County's only granted Tidelands are in Carpinteria. The existing Chevron marine terminal in Carpinteria is under the jurisdiction of the City.~~

## Where

~~—Landward support facilities for the Gaviota Interim Marine Terminal are designated as Coastal Dependent Industry on the land use plan maps.~~

~~—Oil storage sites (tank farms) for transportation facilities should be consolidated and serve the entire oil transportation system (pipeline, marine, rail, other). A siting study was conducted in 1984 which identified the preferred environmental characteristics for an oil storage site on the Gaviota coast. These characteristics are based on those of Canada de la Pila for all attributes except geology and soils, which must meet standard County requirements through engineering and design review. Present County policy precludes the use of Canada de la Pila as a tank farm site. Proposed oil storage sites should meet these standards through project design and on and off site mitigation, though the County recognizes that environmental trade offs may be required to ensure that an environmentally preferable site is used.~~

### **Repeal Policy 6-10 (p. 68).**

~~Policy 6-10: All relevant sections of Ordinance No. 661, the Petroleum Ordinance, and "Statement of Policy Relative to the location of On Shore Oil Facilities" are hereby incorporated by reference.~~

### **Repeal Policy 6-11 (p. 68).**

~~Policy 6-11: If an onshore pipeline is determined to be technically and economically feasible existing marine terminals shall become, after a specified period, non conforming uses. Crude oil shall be transported by pipeline, unless the County makes the finding that transportation of oil by pipeline is not feasible for a particular shipper according to the provisions of Policies 6-8 and 6-8A. (Revised 6/18/84, B/S Resol #84-284).~~

### **Repeal Policy 6-11B (p. 68).**

~~Policy 6-11B: Policies 6-6 and 6-6A regarding consolidation of oil and gas processing facilities shall be applied to all oil and gas facilities. Consolidated storage facilities shall be designed to support a complete oil transportation system including one or more transportation modes. Facilities approved by the County shall be sited to provide for reasonable expansion. (Added 6/18/84, B/S Resol #84-284).~~

### **Repeal Policy 6-12 (pp. 68-69).**

~~Policy 6-12: Due to scenic and natural resources in areas between Point Conception and the Santa Maria River, marine terminals are not considered at present as appropriate development in that area. If activity under lease sale #53 results in a need for marine terminal(s) in the North County, detailed studies shall be undertaken to determine appropriate location(s). No onshore facilities, except pipelines, shall be located on any environmentally sensitive habitat areas.~~

**Add a new preamble entitled *Oil Transportation*, to replace preamble to *Marine Terminals*.**

*Oil Transportation*

*The following policies apply to the transportation of oil produced from any offshore reservoir and landed in Santa Barbara County and oil produced from a reservoir offshore Santa Barbara County, regardless of landing location. Pipelines are environmentally less damaging than other modes of crude oil transport, including highway, rail, and marine tank vessel. In particular, while tanker or barge accidents occur less frequently than pipeline spills, the adverse environmental impacts of tanker or barge spills can be far greater due to the large volumes of oil released, the extreme difficulty in containing and cleaning up offshore spills, and the overall sensitivities of marine and coastal resources.*

*Whereas:*

*The County seeks to minimize adverse environmental impacts of oil transportation, both onshore and offshore, by requiring crude oil produced from offshore reserves to be transported by pipeline to the maximum extent feasible.*

**Add New Policy 6-10A.**

*Policy 6-10A: Phase-out of Marine Terminals.*

*No new marine oil terminals, or expansion of existing marine terminals, shall be permitted in the County. As used here, “expansion of existing facilities” means any activity beyond what an owner has a vested right to do under existing permits. Existing marine terminals shall remain classified as a legal, non-conforming uses, with the expressed intent that they be phased out of existence once the owner’s current vested right to operate under existing permits is exhausted.*

**Add New Policy 6-10B.**

*Policy 6-10B: Transport of Crude Oil from Offshore to Onshore.*

- 1) Crude oil produced from offshore production facilities shall be transported to onshore facilities exclusively by pipelines that conform to all applicable regulations and standards.*
- 2) Any new pipeline shall be routed to maximize protection of coastal and marine resources. Factors to be balanced in selecting the route include, but are not limited to, minimizing the length of the offshore segment (to reduce the risk of oil spills in coastal waters), location of sensitive species and habitats both onshore and offshore, and anticipated hazards to pipeline integrity.*

**Add New Policy 6-10C.**

*Policy 6-10C: Transport of Crude Oil to Refineries.*

- 1) Production from new offshore facilities.*  
*Crude oil received onshore from new or expanded offshore production facilities, or from onshore operations to extract oil from offshore reserves, shall be transported to processing facilities and final refining destination by overland pipeline, except as provided for in Policy 6-10D and E. The pipelines shall conform to all applicable regulations and standards.*

2) Production from existing offshore facilities.

Crude oil received onshore from existing offshore production facilities shall be transported to processing facilities and final refining destination by overland pipeline, except where an owner has a vested right to transport oil by marine vessel or as provided in Policy 6-10D and E.

**Add New Policy 6-10D.**

Policy 6-10D: Exception to Policy 6-10C Requirement for Transport via Pipeline.  
Crude oil received onshore from offshore production facilities may be transported by highway or rail if the Director determines that the oil is so highly viscous that pipeline transport is infeasible, taking into account available options such as modifications to existing pipelines, blending of NGLs, etc.

Any shipment of oil by highway or rail under this policy shall be limited to that fraction of the oil that is technically infeasible to transport by pipeline. The shipper or carrier shall mitigate to the maximum extent feasible any significant environmental impacts caused by use of the alternate transportation mode.

**Add New Policy 6-10E.**

Policy 6-10E: Emergency Provision.  
Notwithstanding the provisions of Policies 6-10A to 6-10D, temporary transport of oil by waterborne vessel may be authorized under an emergency permit if the Governor of the State of California declares a state of emergency pursuant to Public Resources Code Sec. 30262(a)(8) for an emergency that disrupts the pipeline transportation of oil produced offshore Santa Barbara County. In such a case, the oil transported by alternate mode shall be limited to that fraction which cannot feasibly be transported by pipeline. Transport by the alternate mode shall cease immediately when it becomes technically feasible to resume pipeline transport.

**Add Policy 6-10F (renumbered from previous Policy 6-6A).**

Policy 6-10F: If upper throughput limits exist in any new oil transportation system, the County shall, to the maximum extent feasible and legally permissible, assure equitable, pro rata access for all shippers. Permits for oil transportation systems shall require the permittee to achieve County's goals for consolidation. County shall retain continuing permit jurisdiction to assure that these goals are met. For the purposes of this plan, "shipper" shall refer to the entity in legal ownership of the oil to be transported. (Added 7/88).

## ATTACHMENT B: PROPOSED TEXTUAL AMENDMENTS TO THE SANTA BARBARA COUNTY COMPREHENSIVE PLAN LAND USE ELEMENT

The following textual amendments include deletions to existing text (shown in a ~~strikeout~~ font) and additions of new text (shown in an *italicized and underlined* font).

### Revise Preamble Preceding Policy 12 (p. 82-d).

The county has conducted a comparative assessment of available modes for shipping large volumes of crude oil which are produced from offshore fields, processed locally, and requiring transportation to refineries. The assessment concluded that, although pipelines exhibit potentially significant adverse impacts to the environment, they are measurably the environmentally preferred mode of transportation when compared to marine tanker and rail. *Furthermore, major crude oil pipelines are in operation for transporting crude oil from both northern and southern Santa Barbara County to refineries outside the county.* Consequently, the county shall require that, ~~to the maximum feasible extent,~~ *all crude oil produced from offshore reserves shall be shipped to onshore facilities* via pipeline, and ~~from local processing facilities thence to refineries via overland pipeline, except as specified below provided in Policy 12.~~ Presently this policy does not apply to facilities that serve only onshore fields however, it shall apply to facilities that serve both onshore and offshore fields as well as only offshore fields.

### Revise Policy 12 (pp. 82-d to 82-f).

12. ~~If an onshore pipeline for transporting crude oil to refineries is determined to be technically and economically feasible,~~ *Proposals for expansion, modification, or construction of new oil and gas processing facilities, oil storage facilities, or pipeline terminals, which receive oil from offshore fields exclusively or from both offshore and onshore fields, shall be conditioned to require transportation of oil through the by pipeline when constructed, unless such condition would not be feasible for a particular shipper to processing facilities and final refining destination, except as follows:*

*Crude oil received onshore from offshore production facilities may be transported by highway or rail if the Director determines that the oil is so highly viscous that pipeline transport is infeasible, taking into account available options such as modifications to existing pipelines, blending of NGLs, etc.*

*Any shipment of oil by highway or rail under this policy shall be limited to that fraction of the oil that cannot feasibly be transported by pipeline and shall not exceed the limits of permitted capacity for these transportation modes. The shipper or carrier shall mitigate to the maximum extent feasible any environmental impacts caused by use of the alternate transportation mode.*

Temporary transport of oil by waterborne vessel may be authorized under an emergency permit if the Governor of the State of California declares a state of emergency pursuant to Public Resources Code Sec. 30262(a)(8) for an emergency that disrupts the pipeline transportation of oil produced offshore Santa Barbara County. In such a case, the oil transported by alternate mode shall be limited to that fraction which cannot feasibly be transported by pipeline. Transport by the alternate mode shall cease immediately when it becomes technically feasible to resume pipeline transport.

- a. ~~— Pipeline transportation of crude oil to a refining center served by a pipeline is presumed to be technically and economically feasible and the required method of transportation to that center.~~
- b. ~~— Pipeline transportation of crude oil is presumed feasible for a particular shipper if a pipeline is in operation to the refining center of the shipper's choice.~~
- c. ~~— Crude oil processing facilities shall be conditioned to require that each shipper's oil leaving those facilities be transported by pipeline when a pipeline is in operation to the refining center of the shipper's choice.~~
- d. ~~— Until pipelines become available and for refining centers not served by pipeline, other modes of oil transportation are allowed consistent with County policies. Rail is not preferred for large volume shipments of oil.~~
- e. ~~— For refining centers served by pipeline, other modes of transportation up to the limits of the permitted capacity for those modes, and with assurances that the shipper or transportation facility operator can and will mitigate the environmental impacts caused by the alternate transportation mode, are allowed only under the following circumstances:
  - (1) ~~— Pipeline unavailability or inadequate capacity; or~~
  - (2) ~~— A refinery upset lasting no longer than two (2) months and only where the alternate refining center is not served by pipeline; or~~
  - (3) ~~— An emergency which may include a national state of emergency.~~~~

## **Repeal Implementing Action Statement (p. 82-f)**

### Implementing Action

~~The Planning Commission shall implement this policy pursuant to Section 35-296 of Article III, Chapter 35 of the Santa Barbara County Code (inland zoning ordinance). The regulations of Section 35-296 apply specifically to separation of oil and water from an offshore area and processing/treatment plants that are not described in the previous section, 35-295. This Oil Transportation Policy is intended to apply facilities which process production obtained exclusively from offshore fields or from both offshore and onshore fields. (91-GP-3)~~

**ATTACHMENT C: TEXTUAL AMENDMENTS  
TO ARTICLE II (COASTAL ZONING ORDINANCE)  
OF CHAPTER 35 OF THE SANTA BARBARA COUNTY CODE**

The following textual amendments include deletions to existing text (shown in a ~~strikeout~~ font) and additions of new text (shown in an *italicized and underlined* font).

**Repeal Section 35-87.3.3 (p. 154) [Permitted Uses for M-CD Coastal Dependent Industry]**

- ~~3. Onshore components of marine terminals that are determined to be required for waterborne shipments of crude oil or petroleum products and that require a site on or adjacent to the sea to be able to function at all. Such uses are subject to the regulations of DIVISION 9 OIL AND GAS FACILITIES. (Amended by Ord. 3947, 11/19/91)~~

**Repeal Section 35-92.3.3 (p. 170) [Permitted Uses for M-CR Coastal Related Industry]**

- ~~3. Onshore components of marine terminals required for waterborne shipments of crude oil or petroleum products, subject to the regulations of DIVISION 9 OIL AND GAS FACILITIES.~~

**Revise Section 35-154.5.i (pp. 340-341) [Onshore Processing Facilities]**

- i. ~~Permits for expanding, modifying, or constructing crude oil processing or related facilities shall be conditioned to require that a~~All oil processed by the facility shall be transported from the facility and the County *to the final refining destination by overland pipeline, as soon as the shipper's oil refining center of choice is served by pipeline. with the following exceptions:*
- (1) Emergency. Temporary transport of oil by waterborne vessel may be authorized under an emergency permit if the Governor of the State of California declares a state of emergency pursuant to Public Resources Code Sec. 30262(a)(8) for an emergency that disrupts the pipeline transportation of oil produced offshore Santa Barbara County. In such a case, the oil transported by waterborne vessel shall be limited to that fraction which cannot feasibly be transported by pipeline. Transport by waterborne vessel shall cease immediately when it becomes technically feasible to resume pipeline transport.*
- (2) Highly Viscous Oil. A Development Plan may permit transportation of oil by highway or rail only if the Director makes the following finding, in addition to findings required for Development Plans under this section: The oil is so highly viscous that pipeline transport is infeasible, taking into account available options such as modifications to existing pipelines, blending of NGLs, etc.*
- Any shipment of oil by highway or rail under this policy shall be limited to that fraction of the oil that is technically infeasible to transport by pipeline. The shipper or carrier shall mitigate to the maximum extent feasible any significant environmental impacts caused by use of the alternate transportation mode.*

- ~~(3) within the limits of the permitted capacity of the alternative mode; and~~
- ~~(4) when the environmental impacts of the alternative transportation mode are required to be mitigated to the maximum extent feasible; and~~
- ~~(5) when the shipper has made a commitment to the use of a pipeline when operational to the shipper's refining center of choice; and~~
- ~~(6) when the County has determined that use of a pipeline is not feasible by making one of the following findings:-~~
  - ~~(a) A pipeline to the shippers' refining center of choice has inadequate capacity or is unavailable within a reasonable period of time;~~
  - ~~(b) A refinery upset has occurred, which lasts less than two months, precludes the use of a pipeline to that refinery, and requires temporary transportation of oil to an alternative refining center not served by pipeline;~~
  - ~~(c) The costs of transportation of oil by common carrier pipeline is unreasonable taking into account alternative transportation modes, economic costs, and environmental impacts; or~~
  - ~~(d) An emergency, which may include a national state of emergency, has precluded use of a pipeline.~~

~~————A permit based on findings (b) or (d) may be granted by the Director of the Planning and Development Department and shall be subject to appeal to the Planning Commission. A permit based on findings (a) and (c) may be granted by the Board of Supervisors. All permits in this section are subject to appeal to the Coastal Commission.~~

~~————All permits for the use of a non-pipeline mode of transportation may specify the duration for such permitted use. Such permit may be extended upon a showing of good cause based upon a consideration of the findings listed above. A permit based on finding (b) shall be granted for two months only. If refinery upset conditions continue beyond two months and the shipper wishes to continue use of a non pipeline transportation mode, the shipper must seek a new or modified permit that is based on a consideration of finding (a), (c), or (d). In all cases, the burden of proof as to unavailability or inadequate capacity, unreasonable tariffs, and the need for and use of other transportation systems shall be on the shipper.~~

## **Repeal Section 35-156. (pp. 345-351) [Marine Terminals]**

### **Sec. 35-156. Marine Terminals.**

*(Amended by Ord. 3745, 11/21/88)*

- ~~1. ———Applicability. The specific regulations contained within this section shall apply to the onshore portion of the components of a marine terminal which include loading and/or unloading equipment, storage tanks, terminal control and safety equipment and navigational facilities but not including pipelines. The regulations for pipelines and related facilities are located in Sec. 35-157. These regulations shall apply to existing and new marine terminals~~

and as of April 12, 1967, there exists in the County four (4) marine terminals which are located at Cojo Bay, Gaviota, El Capitan and Coal Oil Point.

2. ~~Permitted Districts. Marine terminals are a permitted use in the Coastal-Related Industry (M-CR) District. They are also permitted in the Coastal-Dependent Industry (M-CD) District if such use is determined to require a site on or adjacent to the sea to be able to function at all. (Amended by Ord. 3947, 11/19/91) However,~~
  - a. ~~No more than one (1) additional marine terminal to the number in existence within the County as of April 12, 1967, shall be permitted in the area east of Point Conception.~~
  - b. ~~Where the land to be used for the onshore portions of the marine terminal is also subject to the Environmentally Sensitive Habitat Area Overlay District (ESH), such facilities shall not be permitted.~~
  - c. ~~Where the land to be used for the onshore portions of the marine terminal is also subject to the View Corridor Overlay District (VC), such facilities require a Major Conditional Use Permit, as provided in Section 35-172.~~
  - d. ~~After adoption of a Resolution by the County Board of Supervisors that an onshore pipeline for transporting crude oil to refineries is technically and economically feasible, new marine terminals shall not be a permitted use in any district and existing marine terminals shall continue to be a permitted use until the pipeline is operational, at which time they shall become legal nonconforming uses. After the pipeline is operational, marine terminals are a use permitted subject to a Major Conditional Use Permit in the Coastal-Related Industry (M-CR) District, and if determined to require a site on or adjacent to the sea to be able to function at all in the Coastal-Dependent Industry (M-CD) District. Marine terminals are permitted in these two districts only upon a finding, in addition to those normally required for a marine terminal, as set forth in paragraph 4, that transshipment of oil by onshore pipeline is not feasible for the particular operator. (Amended by Ord. 3947, 11/19/91)~~
  - e. ~~Major oil storage facilities shall be consolidated and shall support the most environmentally preferred oil transportation system. Minor storage facilities may be allowed at specific operating areas where clearly needed, where it can be shown that it is not feasible to provide such storage at the consolidated site(s), where it is located in the least environmentally damaging location and where the adverse environmental impacts are mitigated to the maximum extent feasible.~~
3. ~~Processing.~~

No permits for development including grading shall be issued except in conformance with an approved Final Development Plan, as provided in Sec. 35-174. (Development Plans), and with Sec. 35-169. (Coastal Development Permits).

In addition to the other information required under Sec. 35-174.3. (Development Plans), the following information must be filed with a Preliminary or Final Development Plan application:

  - a. ~~An updated emergency response plan, that addresses the potential consequences and actions to be taken in the event of hydrocarbon leaks or fires. The emergency response plan shall be approved by the County's Emergency Services Coordinator and Fire Department.~~

- b. ~~A phasing plan for the staging of development which includes the estimated timetable for project construction, operation, completion, and abandonment, as well as location and amount of land reserved for future expansion.~~
4. ~~Findings Required for Approval of Development Plans.~~  
In addition to the findings for Development Plans set forth in Sec. 35-174.7. (Development Plans), no Preliminary or Final Development Plan shall be approved unless the Planning Commission also makes all of the following findings:
- a. ~~There are no feasible alternative locations for the proposed marine terminal that are less environmentally damaging.~~
  - b. ~~Expansion of an existing marine terminal onto adjacent lands is not feasible or is more environmentally damaging.~~
  - c. ~~The proposed facility is compatible with the present and permitted recreational, educational, and residential development and the scenic resources of the surrounding area.~~
5. ~~Development Standards.~~
- a. ~~The level of noise generated by the facility at the property boundary shall not exceed 70 dB(A).~~
  - b. ~~The applicant has received "authority to construct" from the Air Pollution Control District.~~
  - c. ~~There shall be no visible emission of smoke.~~
  - d. ~~Permanent structures and equipment shall be painted a neutral color so as to blend in with natural surroundings.~~
  - e. ~~The installation shall be visually compatible with the potential surroundings by use of any or all of the following measures where applicable: Buffer strips; depressions, natural or artificial; screen planting and landscaping continually maintained; camouflage and/or blending colors.~~
  - f. ~~All lights shall be shielded so as not to directly shine on adjacent properties.~~
  - g. ~~Grading and alteration of natural drainages shall be minimized.~~
  - h. ~~Adequate provision shall be made to prevent erosion and flood damage.~~
  - i. ~~Except in an emergency, no materials, equipment, tools, or pipes used for marine terminal operations shall be delivered to or removed from the plant site through streets within a residential district between the hours of 7 p.m. and 7 a.m. of the next day.~~
  - j. ~~The following standards must be achieved on site or through off site mitigation:~~
    - 1) ~~The facility shall not have a significant visual impact.~~
    - 2) ~~The significance of visual impact shall be determined based on a visual contrast rating developed according to the United States Bureau of Land Management Scenic Quality Inventory and Evaluation System (1981), which utilizes a scale ranging from 0 (best) to 33 (worst). A score of 7 or greater (more severe) following mitigation shall be considered significant.~~
    - 3) ~~No known or potential significant habitat for locally rare or regionally endemic species shall be adversely affected by the facility.~~
  - k. ~~Oil storage facilities shall meet each of the following goals on site or through off site mitigation except where aggregate impacts, notwithstanding one or more~~

exceedances of the following goals, demonstrate that a particular site is the least environmentally damaging reasonable site available:

- 1) — To ensure public health and safety, human exposure to risk of an accident at the tank farm shall be limited to an aggregate of 240 person hours per day on average, exclusive of facility employees, within one half (1/2) mile of the proposed facility;
- 2) — Not more than 1.6 acres or their equivalent of high productivity terrestrial habitat (equivalent to 1025 acres of industrial use land) shall be disturbed;
  - a) — Impacts on terrestrial habitat shall be assessed based on a detailed environmental analysis of site specific conditions. "Equivalent acres" shall be determined according to the following guidelines based on a standard of high productivity terrestrial habitat based on wetland productivity and biological assessments, but the determination of the environmentally preferable site and mitigation programs shall be based on site specific environmental data.

<u>Habitat Type</u>	<u>High Productivity Habitat Equivalent</u>
Wetland	1 acre
Native Grassland	3 acres
Undisturbed Riparian	3 acres
Coastal Strand	5 acres
Disturbed Riparian	9 acres
Coastal Bluff Scrub	10 acres
Oak Woodland/Forest	10 acres
Coastal Sage Scrub	15 acres
Chaparral	20 acres
Cismontane Introduced Grassland	50 acres
Agricultural/Introduced Plantings	200 acres
Recently Disturbed	200 acres
Industrial	640 acres.

(eg., 40 acres Coastal Bluff Scrub is equivalent to 4 acres of high productivity habitat.)

The interpretation of the Coastal Zoning Ordinance shall not result in less resource protection than mandated by Environmentally Sensitive Habitat areas (ESH) protection policies and other policies contained within this Coastal Plan.

- 3) — Not more than 0.064 acres or their equivalent of high productivity marine habitat (equivalent to 1.19 acres of sandy beach) shall be disturbed by a ballast water treatment outfall associated with a marine terminal;
  - a) — Impacts on marine ecology shall be assessed based on a detailed environmental analysis of site specific conditions. "Equivalent acres" shall be determined according to the following guidelines

based on a standard of high productivity rocky bottom kelp habitat, but the determination of the environmentally preferable site and mitigation programs shall be based on site-specific environmental data:

<u>Habitat Type</u>	<u>High Productivity Habitat Equivalent</u>
Kelp, rocky bottom	1 acre
High relief boulder/ Exposed intertidal reefs	1.6 acres
Kelp, sandy bottom	3 acres
Low relief intertidal bedrock reefs	6.9 acres
Cobble/gravel beach	8.1 acres
Hard bottom/deep water (no kelp)	10.8 acres
Silty/mud bottom	17.1 acres
Sand beach	18.6 acres

- 4) No residents shall be subject to greater than a 9 dB increment above baseline in ambient noise level;
- 5) No significant cultural resources shall be adversely affected.

**ATTACHMENT D: TEXTUAL AMENDMENTS  
TO ARTICLE III (INLAND ZONING ORDINANCE)  
OF CHAPTER 35 OF THE SANTA BARBARA COUNTY CODE**

The following textual amendments include deletions to existing text (shown in a ~~strikeout~~ font) and additions of new text (shown in an *italicized and underlined* font).

**Repeal Section 35-236.3.3 (p. 133) [Permitted Uses for M-CR Coastal Related Industry]**

3. ~~Onshore components of marine terminals required for waterborne shipments of crude oil or petroleum products subject to the regulations of DIVISION 8, ENERGY FACILITIES.~~

**Repeal Section 35-296.5.1.h (p. 306) [Treatment and Processing Facilities]**

- h. ~~After adoption of a Resolution by the County Board of Supervisors that an onshore pipeline for transporting crude oil to refineries is technically and economically feasible, proposals for expansion, modification, or construction of new onshore treatment and processing facilities for offshore oil and gas shall be conditioned to require transshipment of oil through the pipeline when constructed, unless such conditions would not be feasible for a particular operator.~~

**Revise Section 35-296.5.1.k (p. 307) [Treatment and Processing Facilities]**

*(Amended by Ord. 3940, 9/3/91)*

- ~~k. Permits for expanding, modifying, or constructing crude oil processing or related facilities, All oil processed by facilities which receive oil from offshore fields exclusively or from both offshore and onshore fields, shall be conditioned to require that all oil processed by the facility shall be transported from the facility and the County to the final refining destination by overland pipeline, as soon as the shipper's oil refining center of choice is served by pipeline except in the case of highly viscous oil or during an emergency, as stipulated below. Transportation by a mode other than pipeline may be permitted only:~~

~~(1) For that fraction of the oil that cannot feasibly be transported by pipeline;~~

~~and~~

~~(2) When the environmental impacts of the alternative transportation mode are required to be mitigated to the maximum extent feasible.~~

~~In all cases, the burden of proof as to the infeasibility of transport by pipeline and the need for alternate transportation modes shall be on the shipper.~~

~~Highly Viscous Oil:~~

~~A Development Plan may permit transportation of oil by highway or rail only if the Director makes the following finding, in addition to those required for approval of Development Plans in Sections 35-296.4A, 35-296.4B, and 35-174.7: The oil is so highly viscous that pipeline transport is infeasible, taking into account available options such as modifications to existing pipelines, blending of NGLs, etc.~~

Declared Emergency:

Temporary transport of oil by waterborne vessel may be authorized under an emergency permit if the Governor of the State of California declares a state of emergency pursuant to Public Resources Code Sec. 30262(a)(8) for an emergency that disrupts the pipeline transportation of oil produced offshore Santa Barbara County. In such a case, the oil transported by waterborne vessel shall be limited to that fraction which cannot feasibly be transported by pipeline. Transport by waterborne vessel shall cease immediately when it becomes technically feasible to resume pipeline transport.

- (1) — Within the limits of the permitted capacity of the alternative mode; and
- (2) — When the environmental impacts of the alternative transportation mode are required to be mitigated to the maximum extent feasible; and
- (3) — when the shipper has made a commitment to the use of a pipeline when operations to the shipper's refining center of choice; and
- (4) — When the County has determined use of a pipeline is not feasible by making one of the following findings:
  - (a) — A pipeline to the shipper's refining center of choice has inadequate capacity or is unavailable within a reasonable period of time;
  - (b) — A refinery upset has occurred, which lasts less than two months, precludes the use of pipeline to that refinery, and required temporary transportation of oil to an alternative refining center not served by pipeline;
  - (c) — The costs of transportation of oil by common carrier pipeline are unreasonable taking into account alternative transportation modes, economic costs, and environmental impacts; or
  - (d) — An emergency, which may include a national state of emergency, has precluded use of pipeline.

~~A permit based on finding (b) or (d) may be granted by the Director of the Planning and Development Department and shall be subject to appeal to the Planning Commission. A permit based on findings (a) and (c) may be granted by the Board of Supervisors.~~

~~All permits for the use of non-pipeline mode of transportation may specify the duration for such permitted use. Such permit may be extended upon a showing of good cause based upon a consideration of the findings listed above. A permit based on finding (b) (a) i. shall be granted for two months only. If refinery upset conditions continue beyond two months and the shipper wishes to continue use of a non-pipeline transportation mode, the shipper must seek a new or modified permit that is based on a consideration of finding (a), (c), or (d).~~

~~In all cases, the burden of proof as to by pipeline unavailability or inadequate capacity, unreasonable tariffs, and the need for and use of other transportation systems shall be on the shipper. (Amended by Ord. 3940, 9/3/91)~~

## **Repeal Section 35-298 (pp. 311-313) [Marine Terminals]**

### **~~Sec. 35-298. Marine Terminals.~~**

#### **~~Sec. 35-298.1. Applicability.~~**

~~The specific regulations contained within this section shall apply to the onshore portion of the components of a marine terminal (except LNG facility) which include facilities for loading and/or unloading equipment, storage tanks, terminal control and safety equipment, and navigational facilities, but not including pipelines. (The regulations for pipelines and related facilities are located in Sec. 35-290.) This section shall apply to existing and new marine terminals and as of April 12, 1967, there exists in the County four (4) marine terminals which are located at Cojo Bay, Gaviota, El Capitan, and Coal Oil Point.~~

#### **~~Sec. 35-298.2. Permitted Districts.~~**

~~Marine terminals are a permitted use in the Coastal Related Industry (M-CR) district, except:~~

- ~~1. — No more than one (1) additional marine terminal to the number in existence within the County as of April 12, 1967 shall be permitted in the area east of Pt. Conception and south of the ridge line of the Santa Ynez mountains.~~
- ~~2. — After adoption of a Resolution by the County Board of Supervisors that an onshore pipeline for transporting crude oil to refineries is technically and economically feasible, new marine terminals shall not be a permitted use in any district and existing marine terminals shall continue to be a permitted use until the pipeline is operational, at which time they shall become legal nonconforming uses. After the pipeline is operational, marine terminals shall be a use permitted subject to a Major Conditional Use Permit in the Coastal Related Industry (M-CR) District, but only upon a finding, in addition to those normally required for a marine terminal, as set forth in paragraph 4, that transshipment of oil by onshore pipeline is not feasible for the particular operator. (Amended by Ord. 3939, 9/3/91)~~

#### **~~Sec. 35-298.3. Processing.~~**

~~No permits for development including grading shall be issued in conformance with an approved Final Development Plan, as provided in Sec. 35-317. (Development Plans), and with Sec. 35-314. (Land Use Permits).~~

~~In addition to the other information required under Sec. 35-317. (Development Plans), the following information must be filed with a Preliminary or Final Development Plan application:~~

- ~~1. — An updated emergency response plan that addresses the potential consequences and actions to be taken in the event of hydrocarbon leaks or fires. The emergency response plan shall be approved by the County's Emergency Services Coordinator and Fire Department.~~
- ~~2. — A phasing plan for the staging of development which includes the estimated timetable for project construction, operation, and completion, as well as location and amount of any land reserved for future expansion.~~

#### **~~Sec. 35-298.4. Findings Required for Approval of Development Plans.~~**

~~In addition to the findings for Development Plans set forth in Sec. 35-317.7. (Development Plans), no Preliminary or Final Development Plan shall be approved unless the Planning Commission also makes all of the following findings:~~

1. ~~There are no feasible alternative locations for the proposed marine terminal that are less environmentally damaging.~~
2. ~~Expansion of an existing marine terminal onto adjacent lands is not feasible or is more environmentally damaging.~~
3. ~~The proposed facility is compatible with the scenic quality and land uses of the surrounding area.~~

***Sec. 35-298.5. Development Standards.***

1. ~~The level of noise generated by the facility at or beyond the property boundary shall not exceed 70 db(A).~~
  2. ~~The installation shall be visually compatible with the existing and anticipated surroundings by use of any or all of the following measures where applicable: Buffer strips; depressions, natural or artificial; screen planting and landscaping continually maintained; camouflage and/or blending colors.~~
  3. ~~All lights shall be shielded so that all lighting is confined to the project site.~~
  4. ~~Grading and alteration of natural drainages shall be minimized.~~
  5. ~~Adequate provisions shall be made to prevent erosion and flood damage.~~
  6. ~~It is prohibited to operate trucks exceeding one and a half tons for use in oil and gas operations between the hours of 9:00 p.m. and 7:00 a.m. upon streets within any residential neighborhood. This prohibition shall not apply in an emergency as determined by the County Sheriff or Fire Department or Petroleum Administrator.~~
- ~~This ordinance shall not be effective as to any street or part thereof unless and until signs giving notice of the prohibition are posted at entrances to the street or parts thereof affected.~~
- ~~Truck routes shall be reviewed for proposed oil or gas facilities to insure that oil field support traffic is not routed through residential neighborhoods, unless no alternative routes exist.~~

**ATTACHMENT E**  
**TEXT OF CALIFORNIA PUBLIC RESOURCES CODE**  
**SECTION 30262, AS AMENDED BY AB 16 (2003)**

30262. (a) Oil and gas development shall be permitted in accordance with Section 30260, if the following conditions are met:

- (1) The development is performed safely and consistent with the geologic conditions of the well site.
- (2) New or expanded facilities related to that development are consolidated, to the maximum extent feasible and legally permissible, unless consolidation will have adverse environmental consequences and will not significantly reduce the number of producing wells, support facilities, or sites required to produce the reservoir economically and with minimal environmental impacts.
- (3) Environmentally safe and feasible subsea completions are used if drilling platforms or islands would substantially degrade coastal visual qualities, unless the use of those structures will result in substantially less environmental risks.
- (4) Platforms or islands will not be sited where a substantial hazard to vessel traffic might result from the facility or related operations, as determined in consultation with the United States Coast Guard and the Army Corps of Engineers.
- (5) The development will not cause or contribute to subsidence hazards unless it is determined that adequate measures will be undertaken to prevent damage from that subsidence.
- (6) With respect to new facilities, all oilfield brines are reinjected into oil-producing zones unless the Division of Oil, Gas, and Geothermal Resources of the Department of Conservation determines to do so would adversely affect production of the reservoirs and unless injection into other subsurface zones will reduce environmental risks. Exceptions to reinjections will be granted consistent with the Ocean Waters Discharge Plan of the State Water Resources Control Board and where adequate provision is made for the elimination of petroleum odors and water quality problems.
- (7) (A) All oil produced offshore California shall be transported onshore by pipeline only. The pipelines used to transport this oil shall utilize the best achievable technology to ensure maximum protection of public health and safety and of the integrity and productivity of terrestrial and marine ecosystems.  
(B) Once oil produced offshore California is onshore, it shall be transported to processing and refining facilities by pipeline.  
(C) The following guidelines shall be used when applying subparagraphs (A) and (B):
  - (i) "Best achievable technology," means the technology that provides the greatest degree of protection taking into consideration both of the following:

(I) Processes that are being developed, or could feasibly be developed, anywhere in the world, given overall reasonable expenditures on research and development.

(II) Processes that are currently in use anywhere in the world. This clause is not intended to create any conflicting or duplicative regulation of pipelines, including those governing the transportation of oil produced from onshore reserves.

(ii) "Oil" refers to crude oil before it is refined into products, including gasoline, bunker fuel, lubricants, and asphalt. Crude oil that is upgraded in quality through residue reduction or other means shall be transported as provided in subparagraphs (A) and (B).

(iii) Subparagraphs (A) and (B) shall apply only to new or expanded oil extraction operations. "New extraction operations" means production of offshore oil from leases that did not exist or had never produced oil, as of January 1, 2003, or from platforms, drilling island, subsea completions, or onshore drilling sites, that did not exist as of January 1, 2003. "Expanded oil extraction" means an increase in the geographic extent of existing leases or units, including lease boundary adjustments, or an increase in the number of well heads, on or after January 1, 2003.

(iv) For new or expanded oil extraction operations subject to clause (iii), if the crude oil is so highly viscous that pipelining is determined to be an infeasible mode of transportation, or where there is no feasible access to a pipeline, shipment of crude oil may be permitted over land by other modes of transportation, including trains or trucks, which meet all applicable rules and regulations, excluding any waterborne mode of transport.

(8) If a state of emergency is declared by the Governor for an emergency that disrupts the transportation of oil by pipeline, oil may be transported by a waterborne vessel, if authorized by permit, in the same manner as required by emergency permits that are issued pursuant to Section 30624.

(9) In addition to all other measures that will maximize the protection of marine habitat and environmental quality, when an offshore well is abandoned, the best achievable technology shall be used.

(b) Where appropriate, monitoring programs to record land surface and near-shore ocean floor movements shall be initiated in locations of new large-scale fluid extraction on land or near shore before operations begin and shall continue until surface conditions have stabilized. Costs of monitoring and mitigation programs shall be borne by liquid and gas extraction operators.

(c) Nothing in this section shall affect the activities of any state agency that is responsible for regulating the extraction, production, or transport of oil and gas.