March 10, 2025

VIA EMAIL

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Re: Sable Offshore Corp. – Statement of Defense and Response to Notice of Intent to

Commence Proceedings for a Commission Cease and Desist Order, Restoration

Order, and Administrative Penalty Order (Feb. 18, 2025)

Dear Dr. Huckelbridge and Ms. Cook:

On behalf of our client, Sable Offshore Corp. ("Sable"), we are providing responses to your February 18, 2025, Executive Director Cease and Desist Order No. ED-25-CD-01 and Notice of Intent to Commence Proceedings for a Commission Cease and Desist Order, Restoration Order, and Administrative Penalty Order ("EDCDO/NOI") regarding Sable's:

(i) work along portions of Las Flores Pipelines CA-324 and CA-325 (previously known as Lines 901 and 903) (collectively the "Onshore Pipelines"¹) located within an unincorporated area of the County of Santa Barbara ("County") and within the Coastal Zone to conduct repair and maintenance activities required under applicable federal regulations to repair pipeline anomalies and install additional safety valves² required under state law;³ and

¹ The Onshore Pipelines are owned by Pacific Pipeline Company ("PPC"), which is a wholly owned subsidiary of Sable.

² All safety valves installed in Line CA-325 are located outside of the Coastal Zone.

³ This package also constitutes Sable's response to Notice of Violation File No. V-9-24-0152's allegations regarding certain safety valves previously installed in Line CA-324 and Notice of Violation File No. V-9-25-0013. Sable previously responded to Notice of Violation File No. V-9-24-0152's allegations regarding Sable's repair and maintenance work, also referred to as the anomaly repair work, on February 14, 2025.

(ii) span remediation maintenance activities consistent with State Lands Commission lease requirements on Santa Ynez Unit ("SYU") pipelines located in State waters offshore of the County's Gaviota Coast (collectively the "Offshore Pipelines").

Contrary to the EDCDO/NOI's assertions, none of Sable's activities constitute violations of the County's Coastal Zoning Ordinance ("CZO"), certified Local Coastal Program ("LCP"), or the Coastal Act. As such, no cease and desist order is warranted — whether issued by the Executive Director or the full Coastal Commission — and Sable strongly disagrees with the EDCDO/NOI's allegations and contends they are not supported by applicable law.

Consistent with our prior letters to and discussions with Coastal Commission staff, the activities discussed in the EDCDO/NOI are fully authorized by coastal development permits previously approved by the County and this Commission. Therefore, those activities do not require new or amended coastal development permits and are not otherwise subject to the Commission's jurisdiction or enforcement authority. Attachment A addresses those activities and the prior Coastal Act authorizations Sable or its predecessors obtained in detail. A short summary of each type of activity and its authorization is provided below:

Anomaly Repair Work. The County has confirmed in writing that the repair and maintenance activities on the Onshore Pipelines referenced in the EDCDO/NOI related to pipeline anomalies are already authorized under the County's existing coastal development permits, final development plan, and environmental review. Pipeline operators have repeatedly performed these types of repair activities on the Onshore Pipelines since they were first built following the County's approval in 1986, and neither the County nor the Coastal Commission ever have asserted that a new or amended coastal development permit for this type of work is required. While Commission staff appear to disagree with the County's determination, the Coastal Commission does not have the authority to override or otherwise nullify either the County's determination or the County's interpretation of its own previously issued coastal development permits for the Onshore Pipelines. The County lawfully issued those coastal development permits pursuant to its delegated LCP permitting authority under the Coastal Act⁴ in July and August, 1986, and if the Commission objected to the breadth of those permits – including the allowance to conduct ongoing repair and maintenance activities throughout the Onshore Pipeline's operational lifetime – the Commission could have appealed the County's approvals at that time. The Commission did not file an appeal in 1986, and does not have the authority to remake the County's approved coastal development permits now.

Safety Valve Work. Similarly, Sable was required to undertake the safety valve repair and maintenance activities described in the EDCDO/NOI pursuant to state law that the Coastal Commission itself supported. The work occurred within the boundaries of the Onshore Pipelines' already-disturbed operational right-of-way and involves the exact same type of work described above for pipeline anomaly repairs and previously authorized under the County's existing coastal development permits, final development plan, and environmental review. Sable completed the safety valve installation work only after the County confirmed in writing that no further authorization from the County was required to complete the safety valve

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⁴ The Coastal Commission certified the County's Local Coastal Program in March 1981.

installation.⁵ The County has delegated LCP permitting authority under the Coastal Act and therefore the County's prior authorization was understood by Sable to extend to Coastal Act permitting as well. Notwithstanding the County's prior authorization of this work, and in light of Commission staff's allegations, Sable is preparing to submit additional materials regarding this work to the County for confirmation that no new after-the-fact authorizations, including new or amended coastal development permits, are required. Until the County responds to Sable's request for review, any enforcement action by the Commission regarding this work is premature and would usurp the County's delegated LCP permitting authority under the Coastal Act.

Span Remediation Work. Finally, Sable's span remediation maintenance activities were fully contemplated within the original coastal development permit approved by the Coastal Commission for the Offshore Pipelines in 1988 and the Development and Production Plan approved by the Department of the Interior, which is the comprehensive document that outlines Sable's authorized activities for the development and production of offshore resources. The Development and Production Plan was specifically analyzed by the Commission when it concurrently issued the Offshore Pipeline's coastal development permit and federal consistency certification.⁶ The span remediation maintenance activities involve the placement of sandcement bags beneath certain segments of the Offshore Pipelines on the seafloor where contact between the pipelines and the seafloor has been lost due to the movement and loss of sand. This provides both vertical and lateral support to the Offshore Pipelines, ensuring their structural integrity. The exact same span remediation activities have been performed in the past on these same Offshore Pipelines without requiring any new Coastal Act authorizations, and no further Coastal Act authorization is required at this time.

In sum, and as described more fully in this package, *none of the work referenced in the EDCDO/NOI constitutes a violation of the Coastal Act or the County's LCP or requires new or amended coastal development permits*. Rather than acknowledge that this work was previously permitted as required under the Coastal Act, the EDCDO/NOI and Commission staff claim that the Coastal Commission can assert *sua sponte* jurisdiction over these activities and demand that Sable apply for new or amended coastal development permits. Commission staff appears to be asserting Commission jurisdiction over these already permitted activities in order to exert some influence over Sable's planned restart of the Santa Ynez Unit oil production operations. Jurisdiction over restart activities is entirely outside of the Commission's jurisdiction and is separately regulated by other agencies.⁷ Because of the Commission's efforts to assert jurisdiction it does not have, Sable was forced to file suit against the Commission in Santa Barbara County Superior Court to protect its property rights to operate and maintain its facilities.⁸ While that lawsuit remains pending and these jurisdictional issues have not yet been

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⁵ Document No. 47, Letter from Errin Briggs to J. Caldwell Flores (September 4, 2024).

⁶ See Document No. 11, Staff Recommendation on Permit and Consistency Certification, p. 24 ("By concurring in Exxon's certification, the Commission informs [federal agencies] that it considers the nearshore and onshore portions of Exxon's [DPP] to be consistent with the [California Coastal Management Program under the CZMA]."). ⁷ See, e.g., Document No. 35, Consent Decree issued in *United States of America and the People of the State of California v. Plains All American Pipeline, L.P. and Plains Pipeline, L.P.*, Case No. 2:20-cv-02415, (C.D. Cal. Mar. 13, 2020) (requiring, in part, approval of a Restart Plan by the Office of the State Fire Marshal).

⁸ See Sable Offshore Corp. v. Cal. Coastal Commission, Santa Barbara County Superior Court, Case No. 25CV00974.

resolved by the Court, Commission staff has elected to proceed with enforcement proceedings under the EDCDO/NOI, which has required Sable to prepare this detailed response.

This letter and each of its attachments collectively comprise Sable's formal "Statement of Defense" in response to the EDCDO/NOI. Attachment A addresses the EDCDO/NOI's allegations in detail. Attachment B includes the completed "Statement of Defense" form transmitted to Sable with the EDCDO/NOI. Attachment C individually responds to each paragraph of the EDCDO/NOI. Attachment D includes documents and records to be made part of the administrative record in any enforcement proceedings regarding these matters. By submitting these materials, Sable does not concede that the Coastal Commission possesses the authority either to issue the EDCDO/NOI or commence any enforcement proceedings regarding the above-referenced work.

Based on the foregoing, Sable respectfully requests an opportunity to discuss with Commission staff the final resolution of the EDCDO/NOI.

Very truly yours,

Duncan Joseph Moore of LATHAM & WATKINS LLP

cc: Lisa Haage, California Coastal Commission
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⁹ See Cal. Code of Regs., tit. 14 ("Coastal Act Regulations"), § 13181(a).

Attachment A

I. EXECUTIVE SUMMARY

Sable received the requisite Coastal Act authorization for the onshore repair and maintenance activities, including the onshore pipeline anomaly repair work and safety valve installation work, and offshore span remediation work described in the EDCDO/NOI. More specifically, this work occurred on onshore pipeline facilities comprising the Las Flores Pipeline system, which is located along the Gaviota Coast in Santa Barbara County, and the connected Santa Ynez Unit ("SYU") and its associated offshore pipeline facilities, which produces crude oil and natural gas off the California Coast in the Santa Barbara Channel. Although the EDCDO/NOI discusses the onshore and offshore work together, the Coastal Commission issued separate Notices of Violation for the onshore work (Violation File No. V-9-24-0152, the "2024 NOV") and the offshore work (Violation File No. V-0-25-0013, the "2025 NOV"), as described further herein. Contrary to the allegations contained in the Notices of Violation and EDCDO/NOI, all required Coastal Act authorizations for the onshore and offshore work were obtained.

This Attachment A first provides background on the SYU and the Las Flores Pipeline system. Next, this document addresses Sable's onshore work described in the EDCDO/NOI and subject to the Commission's 2024 NOV. Sable's onshore repair and maintenance activities (also known as anomaly repair work) is addressed first, followed by Sable's safety valve installation work. Then, Sable's offshore span remediation work described in the EDCDO/NOI and subject to the Commission's 2025 NOV is addressed.

II. BACKGROUND

Sable Offshore Corp. ("Sable") is managed by James C. Flores and a management team that have extensive experience in the oil and gas exploration and production business. Sable's management team prides itself on their strong record of operating safely and successfully in many jurisdictions, including California and the Pacific Region of the Outer Continental Shelf. The Sable team has received numerous awards for operational excellence, national industry leadership, employee safety, occupational excellence, environmental lease maintenance, operator of the year, and best management practices in habitat conservation from several agencies such as the National Safety Council, the California Department of Conservation Division of Geologic Energy Management, and the U.S. Bureau of Land Management. Specific to the County of Santa Barbara ("County"), a company operated by Sable's management team was awarded the County's first and only "Resolution for Good Operator" recognition for outstanding operator performance and a County Commendation for outstanding maintenance. Sable acquired the Las Flores Pipeline system and Santa Ynez Unit facilities in February 2024.

Since that time, Sable has worked with applicable federal and state agencies toward restarting production, including performing repair and maintenance work on the facilities and submitting various required materials to the applicable federal and state agencies with jurisdiction over such work. As discussed further herein, all of Sable's work within the Coastal

Zone previously was authorized under the Coastal Act and therefore the Commission lacks any authority to issue a cease and desist order, restoration order, or penalties with respect to such work.

This section discusses relevant background, existing permits, and authorizations related to both the SYU and the Las Flores Pipeline system, where the alleged unpermitted development described in the EDCDO/NOI occurred. Both of these facilities were constructed in the 1980s and 1990s after detailed analysis under applicable environmental laws and after having received coastal development permits and other requisite entitlements. Since these facilities were constructed, the Coastal Commission has never asserted that any new or amended coastal development permits would be required for the type of anomaly repair and maintenance activities, safety valve installation work, or span remediation work described in the EDCDO/NOI. Rather, these types of activities have been performed under the authorizations provided by the original coastal development permits for the SYU and Las Flores Pipeline facilities. The EDCDO/NOI's sudden assertion that such activities require new or amended coastal development – decades after these permits and authorizations were issued – lacks merit and is inconsistent with the permitting history for these facilities.

The SYU consists of sixteen federal leases across approximately 76,000 acres of the outer continental shelf (OCS) and produces crude oil and natural gas from Platforms Hondo, Harmony and Heritage, which are located in federal waters off the California coast in the Santa Barbara Channel. The oil and gas are transported through subsea pipelines (collectively the "Offshore Pipelines") to the onshore Las Flores Canyon Oil and Gas Plant and the Pacific Offshore Pipeline Company Gas Plant, which are both located in Las Flores Canyon in unincorporated Santa Barbara County – approximately 20 miles west of the City of Santa Barbara. The onshore facilities separate oil, propane, butane, sulfur products, and fuel quality gas. The natural gas is dried, treated, compressed, and sold to local utility companies. Oil is transferred for final processing at a refinery through the Las Flores Pipeline system.

Las Flores Pipeline CA-324 ("Line CA-324") (previously known as Line 901) is a twenty-four (24) inch diameter pipeline with a maximum permitted throughput capacity of 150,000-barrels of crude oil per day, which is designed to transport crude oil approximately 10.9 miles from the Las Flores Pump Station in Las Flores Canyon, west along the Gaviota Coast, to the existing Gaviota Pump Station located approximately one mile east of Gaviota State Park in Santa Barbara County. Las Flores Pipeline CA-325 ("Line CA-325") (previously known as Line 903) is thirty (30) inches in diameter, has a maximum permitted throughput capacity of 300,000-barrels of crude oil per day, and is designed to transport crude oil approximately 113.5 miles north from the Gaviota Pump Station to the Sisquoc Pump Station, then east through the Los Padres National Forest (LPNF) and Cuyama Valley, ultimately delivering crude oil to the existing Pentland Delivery Point in the San Joaquin Valley in Kern County. This existing pipeline system also provides a connection to the idled Phillips 66 Sisquoc Pipeline at the existing Sisquoc Pump Station, which previously transported crude oil west to the Phillips 66 Santa Maria Refinery. Together, Line CA-324 and Line CA-325 are collectively referred to herein as the "Onshore Pipelines."

A. Santa Ynez Unit

In a 1968 federal Bureau of Land Management lease sale, Exxon Company U.S.A. ("Exxon"), which is Sable's predecessor in interest, was awarded the rights to sixteen leases to explore and develop three major oil and gas fields off the coast of Santa Barbara: Hondo, Pescado, and Sacate. These fields became known as the SYU, with Exxon designated as the operator.

Exxon submitted a Development and Production Plan ("DPP") for the SYU to the federal Minerals Management Service ("MMS") in December 1982. ¹⁰ The DPP governs the development and production activities for oil and gas on a lease unit in the OCS and must be submitted and approved before these activities can commence. ¹¹ In January of 1983, pursuant to the Coastal Zone Management Act ("CZMA"), Exxon submitted a request for a Coastal Commission concurrence in its consistency certification for the planned oil and gas production activities in the SYU. In June of 1983, through consistency certification No. CC-8-83, the Coastal Commission partially concurred with the consistency certification for the OCS portions of the platforms and pipelines proposed, but objected to the expansion of an existing onshore treatment facility. ¹²

In 1987, Exxon revised the DPP for the SYU to include additional details regarding the installation of the three platforms in the SYU, which are now known as Hondo, Harmony and Heritage. The revised DPP also included additional information regarding the Offshore Pipelines and their connection to onshore facilities in Las Flores Canyon. This DPP was found complete by MMS on September 29, 1987. The Commission received the DPP revision from MMS on December 22, 1987. ¹³

After analyzing the revised DPP, on February 23, 1988, through Consistency Certification No. CC-64-87 ("Consistency Certification"), the Commission concurred with Exxon's certification for the revised DPP nearshore and onshore portions of the SYU, having already concurred with the OCS portions of the SYU through consistency certification No. CC-8-83. The Commission stated that: "By concurring in Exxon's certification, the Commission informs [federal agencies] that it considers the nearshore and onshore portions of Exxon's [DPP] to be consistent with the [California Coastal Management Program under the CZMA]." On the same day, after reviewing the revised DPP that set forth the work to be undertaken in state waters, the Commission also approved Coastal Development Permit No. E-88-1 for the nearshore portions of the SYU, including the Offshore Pipelines (the "Offshore CDP").

¹⁰ See Document No. 4, Minerals Management Service, Development and Production Plan Approval (September 20, 1985).

¹¹ 30 C.F.R. §550.201(a).

¹² See Document No. 16, Compendium of California Coastal Commission Decisions Under the Federal Consistency Provisions (March 30, 1990), pp. 265-266.

¹³ See Document No. 13, MMS, DPP Approval (April 4, 1988).

¹⁴ See Document No. 11, Staff Recommendation on Permit and Consistency Certification, p. 24.

¹⁵ See Document No. 12, Coastal Commission, Letter to Exxon from Coastal Commission, attaching Consistency Certification Concurrence and CDP (March 17, 1988).

On April 4, 1988, MMS approved the revisions to the DPP.¹⁶ While the DPP has been revised since 1988, as it relates to the offshore pipelines, the 1988 DPP is the controlling approval for the offshore pipelines' installation, as well as for their ongoing maintenance and operation.¹⁷ The 1988 DPP is the version of the DPP in existence when the Commission provided its Consistency Certification and approval of the Offshore CDP for the Offshore Pipelines. The 1988 DPP continues to govern the maintenance and operation of the pipelines today.

B. Las Flores Pipeline System

The State Lands Commission ("SLC") and federal Bureau of Land Management and Department of the Interior prepared a joint Environmental Impact Report and Environmental Impact Statement ("EIR/EIS") for what was then known as the "Celeron Pipeline Project" (also referred to herein as the "Pipeline Project"), which included the Onshore Pipelines that are now known as Lines CA-324 and CA-325, pursuant to the California Environmental Quality Act ("CEQA") and National Environmental Policy Act ("NEPA"). The SLC certified the EIR/EIS in January 1985. Lines CA-324 and CA-325 were located as an environmentally superior alignment to minimize impacts to environmental resources (including topography, viewshed, watersheds, etc.). After reviewing the EIR/EIS, the County Planning Commission made a final decision to approve the Pipeline Project Final Development Plan ("FDP") (Case # 85-DP-66cz) and Major Conditional Use Permit ("CUP") (Case # 83-CP-97cz) on February 18, 1986. The approval was not challenged during the appeal period and the Planning Commission's approval action became final and effective.

Consistent with the Onshore Pipelines' FDP approval, the County issued Coastal Development Permit CDP 86-CDP-189 for the Pipeline Project on July 27, 1986.²⁰ CDP 86-CDP-189 approved "[c]learing, grading and trenching activities for [the] Celeron Pipeline Project as approved by 85-DP-66cz." The CDP incorporated "[t]he project description, pipeline route, conditions and plans required pursuant to those conditions described by the approved Final Development Plan 85-DP-66cz." CDP 86-CDP-189 also excluded "all activities related to pumpstations, river crossings, pipe stringing, welding, and any other activities not normally performed by the clearing, grading and trenching construction crews." Then, on August 5, 1986, the County issued Coastal Development Permit CDP 86-CDP-205 for the "[r]emainder of all construction activities for the Celeron Pipeline [P]roject as approved by 85-DP-66cz." CDP 86-CDP-205 also incorporated "[t]he project description, pipeline route, conditions and plans required pursuant to those conditions described by the approved Final Development Plan 85-DP-66cz." CDP 86-CDP-189 and CDP 86-CDP-205 are collectively referred to herein as the

¹⁶ See Document No. 13, DPP Approval (April 4, 1988).

¹⁷ The 1988 DPP is attached as Document No. 8.

¹⁸ See Document No. 5, County Planning Commission Actions for Celeron Pipeline Project (Mar. 3, 1986) ("1986 Planning Commission Action"), p. 54 ("Overall, the route chosen is environmentally preferable to any complete alternative route.").

¹⁹ The Final Development Plan approved by the County contain the Pipeline Project's Conditions of Approval. See Document No. 5, 1986 Planning Commission Action.

²⁰ See Document No. 6, County Coastal Development Permit 86-CDP-189 (July 27, 1986).

²¹ Document No. 7, County Coastal Development Permit 86-CDP-205 (August 5, 1986).

"Onshore CDPs." The Onshore CDPs were not challenged during the appeal period and became final and effective. The conditions of approval for the pipelines' FDP, CUP, and Onshore CDPs are all governed under the same Conditions of Approval found in Case #85-DP-66cz, as amended by the County. The County has amended the Conditions of Approval from time to time, and as such identifies the Conditions of Approval with reference to each of the following case numbers: 88-DPF-033 (RV01)z, 88-CP-60 (RV01), 88-DPF-25cz, 85 DP-66cz, and 88DP-25cz. ²³

III. ONSHORE PIPELINE ACTIVITIES

A. Introduction

On September 27, 2024, Commission staff issued the 2024 NOV regarding Sable's "work to address pipeline corrosion" (also known as anomaly repair work) and "install new safety valves" along the Onshore Pipelines.²⁴ Commission staff subsequently issued a letter requesting more information regarding such work on October 4, 2024 ("October 4 Letter"). 25 Sable provided the information requested in the October 4 Letter to Commission staff on October 8, 2024.²⁶ Sable provided additional information in response to Commission staff's requests on October 11, 2024.²⁷ On October 22, 2024, Sable submitted a written request asking that Commission staff authorize it to complete interim restoration work to alleviate the risk of immediate environmental harm resulting from Sable's work stoppage in compliance with the 2024 NOV and October 4 Letter.²⁸ On November 12, 2024, Commission staff issued Executive Director Cease and Desist Order ED 24-CD-02 ("2024 EDCDO"), which allowed for Sable's preparation of an Interim Restoration Plan, to be approved by Commission staff, in order to address such risks of immediate environmental harm resulting from open excavation sites.²⁹ Sable worked cooperatively with Commission staff to finalize and implement the Interim Restoration Plan required under the 2024 EDCDO. On February 14, 2025, following the County's written confirmation that Sable's anomaly repair work had been authorized by the Onshore CDPs for the Onshore Pipelines, Sable formally responded to the 2024 NOV.³⁰

This section first addresses the 2024 NOV's allegations regarding Sable's anomaly repair work including additional detail regarding the communications between Commission staff and

²² See Coastal Act Regulations, § 13313 (coastal development permits "issued by the local government shall become final unless a valid appeal is filed with the commission").

²³ See Document No. 56, Las Flores Pipeline System Final Development Plan Conditions (October 30, 2024) ("2024 Conditions").

²⁴ Document No. 48, Coastal Commission, Notice of Violation V-9-24-0152 (September 27, 2024) ("2024 NOV").

²⁵ Document No. 50, Coastal Commission, Letter re: "Confirmation of Suspension of Current Operations" (October 4, 2024) ("October 4 Letter").

²⁶ See Document No. 51, Letter re: "Sable Offshore Corporation Notice of Violation (V-9-24-0152) – Responses to October 4, 2024 Letter" (October 8, 2024).

²⁷ See Document No. 52, Map re: "Coastal Zone Open Digs" (October 11, 2024),

²⁸ See Document No. 54, Letter re: "Sable Offshore Corporation Notice of Violation (V-9-24-0152) – Request to Complete Interim Work" (October 22, 2024).

²⁹ See Document No. 58, Executive Director Cease and Desist Order ED-24-CD-02 (November 12, 2024).

³⁰ See Document No. 86, Letter re: "Sable Offshore Corp. Notice of Violation (V-9-24-0152) for Las Flores Pipelines CA-324 and CA-325, Santa Barbara County" (February 14, 2025).

Sable noted above, and then separately addresses allegations regarding Sable's safety valve installation work.

B. Anomaly Repair Work

1. Short Summary

Contrary to the EDCDO/NOI's assertion that Sable's anomaly repair work lacks "the requisite Coastal Act authorization," the County expressly has confirmed to the Commission in writing that no new or amended coastal development permit is required for such work because it was authorized under the Onshore CDPs previously approved by the County. Specifically the County confirmed that Sable's work to repair and remedy the Onshore Pipeline's anomalies and all individual components of such work, such as associated excavation and fill activities and work required to access the anomaly sites, were contemplated and approved as ongoing repair and maintenance work that was anticipated to occur over the pipelines' operational lifetime when the County first approved the Onshore Pipelines in the 1980s. Because this work is required under applicable federal regulations and to ensure the pipelines' safe operation, its potential environmental impacts were thoroughly analyzed and considered during the pipelines' original environmental review and subject to mitigation and Condition of Approval requirements.

As a result, throughout the Onshore Pipelines' operating history the County consistently has found anomaly repairs to be within the scope of, contemplated, authorized, and analyzed by (i) the Onshore Pipelines' original environmental review under CEQA and NEPA conducted by the SLC and federal Bureau of Land Management and Department of the Interior; and (ii) the County under the pipelines' previously approved FDP, CUP, Onshore CDPs, and associated Conditions of Approval. Although the County has issued separate coastal development permits for major pipeline improvements such as relocations and realignments since the pipelines' CDPs were first issued, the County has *never* required a new or amended coastal development permit for anomaly repair work in the 30 years since the pipelines were built.³² Importantly, *during that 30-year history the Coastal Commission has never asserted that any anomaly repairs have required a new or amended coastal development permit or any other Coastal Act authorization*, and the Commission never has attempted to take jurisdiction or assert enforcement authority over any County-authorized anomaly repair work.

As described in further detail below, the Commission lacks the authority to supersede the County's confirmation as to the scope of the County's own Onshore CDPs issued pursuant to its delegated Local Coastal Program ("LCP") permitting authority under the Coastal Act. As such, because Sable's anomaly repair work has been fully authorized by the County under the Coastal Act, no new or amended coastal development permit is required for such work, and the Commission may not undertake enforcement action with respect to such work as asserted in the EDCDO/NOI.

³¹ Document No. 90, EDCDO/NOI, p. 2.

³² See Document Nos. 17, 20, and 21, County CDPs 90-CDP-175 (pipeline realignment), 97-CDP-255 (pump station tank replacement), 00-CDP-069 (pipeline realignment).

2. Anomaly Repair Work Background

Several months ago, Sable had undertaken steps to repair certain 'anomalies' detected along Line CA-324 and planned to repair other identified anomalies along both Lines CA-324 and CA-325.³³ Sable undertook the anomaly work based on its understanding that no new coastal development permit or other Coastal Act authorization was required, consistent with the County's practice of authorizing repair work on the Onshore Pipelines since they were first permitted and built over 30 years ago. Any impacts associated with ongoing repair and maintenance activities along the Onshore Pipelines, including anomaly repair work, were thoroughly analyzed, subject to mitigation requirements, and previously approved under the Onshore Pipelines' environmental review, Onshore CDPs, FDP, CUP, and Conditions of Approval. Additionally, throughout the course of Sable's anomaly repair work, Sable implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources remained consistent with and within the scope of the Onshore Pipelines' prior impact analyses.³⁴ Contrary to the EDCDO/NOI's assertion that such work threatened "significant damage to coastal resources," ecological and archaeological resources analyses have confirmed that with implementation of the best management practices there are no new significant impacts from the work and impacts remain within the scope of those previously analyzed and approved.³⁵

A pipeline "anomaly" refers to a pipeline segment with some deviation from its original configuration. Sable is required to conduct anomaly inspections and all associated repair work to comply with a Consent Decree involving the Onshore Pipelines as well as applicable federal regulations that specifically require pipeline operators to "take prompt action to address all anomalous conditions in [any] pipeline," and repair any such conditions that meet thresholds set forth in those regulations.³⁶ The EDCDO/NOI urges that, due to the "history of the site," the "2015 pipeline failure and resulting Refugio Oil Spill," "utmost caution" is required before any anomaly repair work is undertaken.³⁷ However, the Consent Decree and federal regulations require anomaly repair work specifically because such work *reduces and avoids* the risk of

³³ Sable's anomaly repair work was conducted in conformance with the standards of numerous state and federal regulatory agencies and industry standards groups including but not limited to CalOSHA, PHMSA, CDFW-OSFM, American Petroleum Institute (API), American Society of Mechanical Engineers (ASME), American Society of Testing Materials (ASTM), Society for Protective Coatings (SSPC Standards), and American National Standards Institute (ANSI).

³⁴ See Documents No. 65 and 92, "Zoning Clearance Application for Open Anomaly Sites" (November 22, 2024), Attachment A, "Materials Regarding Completed Anomaly Sites" (March 6, 2025), Attachment A. Similarly, Sable intended to complete all remaining "Planned" anomaly repairs in the Coastal Zone subject to construction best management practices. See Document No. 74, "Zoning Clearance Application for Planned Anomaly Sites" (December 6, 2024), Attachment A.

³⁵ Document No. 90, EDCDO/NOI, p. 4. See Documents No. 65 and 92, "Zoning Clearance Application for Open Anomaly Sites" (November 22, 2024), Attachments D.1, and D.2, "Materials Regarding Completed Anomaly Sites" (March 6, 2025), Attachments D.1 and D.2. See also Document No. 74, "Zoning Clearance Application for Planned Anomaly Sites" (December 6, 2024), Attachments D.1 and D.2.

³⁶ 49 C.F.R. § 195.452(h)(1). See Document No. 35, Consent Decree issued in *United States of America and the People of the State of California v. Plains All American Pipeline, L.P. and Plains Pipeline, L.P.*, Case No. 2:20-cv-02415, (C.D. Cal. Mar. 13, 2020).

³⁷ Document No. 90, EDCDO/NOI, p. 4.

"damage to coastal resources" resulting from an oil spill.³⁸ Put differently, Sable's anomaly repair work is an important protective measure for coastal resources and part of exercising the "utmost caution" urged by Commission staff – not an activity that threatens coastal harm or increases the risk of a potential future oil spill.

Sable detects anomalies by using a roving data gathering instrument located within the pipeline interior, typically referred to as an inspection "pig," which examines a pipeline's conditions as the pig travels through the Onshore Pipelines. Data collected from the inspection pig is used to identify the approximate location of anomalies from the surface so that excavation and repair activities can be planned. Sable generally must complete the following steps to repair any particular anomaly detected by the pig: (1) access the affected pipeline segment via existing roadways and rights-of-way, which in some locations requires placing metal plates over water courses; (2) excavate the anomaly site, including the dirt beneath the affected pipeline segment, which in some locations may require dewatering and associated discharge; (3) expose the pipeline segment by removing insulation and sandblasting; (4) evaluate whether a "Composite Repair" or "Cut-Out Repair" is required, ³⁹ (5) conduct the Composite or Cut-Out Repair as appropriate, sandblast the repaired pipeline segment, and apply an epoxy coating, pipe tape, and rockguard wrap; (6) backfill the anomaly site, and (7) conduct final site cleanup including erosion control and revegetation work (collectively, the "Anomaly Repair Work").⁴⁰ Anomaly Repair Work is short-term and temporary (often lasting less than a week) within the Onshore Pipelines' operational right-of-way. It requires the use of heavy equipment and may involve the removal of vegetation.

Through its inspection pig activities, Sable identified one hundred and twenty-one (121) anomalies where Anomaly Repair Work was required within unincorporated Santa Barbara County and within the Coastal Zone. Sable completed the Anomaly Repair Work at forty-eight (48) of these anomaly sites before receiving the 2024 NOV and October 4 Letter. Forty-five (45) anomaly sites were open (i.e., excavation and other steps had been undertaken, but the Anomaly Repair Work had not been completed) at the time Sable received the 2024 NOV and October 4 Letter. At that time, twenty-eight (28) remaining anomaly sites had been identified for future Anomaly Repair Work that had not yet commenced.

Despite Sable's obligation to promptly complete the Anomaly Repair Work under the Consent Decree and applicable federal regulations, and its understanding that no further Coastal Act permitting was required for such work, Sable stopped work at active anomaly repair sites in compliance with the 2024 NOV and October 4 Letter in order to explore Coastal Commission staff's allegations further with both Commission staff and the County. Sable worked

³⁸ *Ibid*.

³⁹ A "Composite Repair" involves wrapping the exposed pipeline segment in a composite material and allowing the material to cure, whereas a "Cut-Out Repair" involves cutting out and replacing the exposed pipeline segment, welding in place the replaced pipeline segment, and X-raying the replaced segment to confirm the repair is completed.

⁴⁰ A typical cross-section showing a site undergoing Anomaly Repair Work is attached as Document No. 53.

⁴¹ See Document No. 92, "Materials Regarding Completed Anomaly Sites" (March 6, 2025), Attachment C-1.

⁴² These open anomaly repair sites are depicted in Document No. 52.

⁴³ These planned anomaly repair sites are depicted in Document No. 75.

cooperatively with Commission staff to address immediate environmental concerns that were created by stopping work and leaving anomaly dig sites open and exposed (e.g., risks related to the structure of the Onshore Pipelines, corrosion, flooding, hazards for livestock, and terrorism and vandalism). In light of these concerns, Commission staff issued the 2024 EDCDO and Sable complied with its requirements regarding the preparation of an Interim Restoration Plan, obtained Commission staff's approval for that plan, backfilled the open anomaly repair sites (without completing the anomaly repairs), implemented erosion control best management practices, hydroseeded restored sites with a local native seed mix approved by Commission staff, and installed protective fencing. Sable did not concede that a coastal development permit was necessary to authorize the Anomaly Repair Work and informed Commission staff that further investigation into the County's records and discussions with County staff were required to determine whether any further Coastal Act authorization was required.

As detailed below, based on Sable's extensive review of the County's records, as well as the County's subsequent confirmation, the record shows that Sable's Anomaly Repair work was authorized by the Onshore CDPs. Specifically, the Onshore CDPs approved ongoing repair and maintenance activities on the Onshore Pipelines, including the excavation and repair of identified anomalies, during the Onshore Pipelines' lifetime.

- 3. The Original Approvals and Environmental Review for the Onshore Pipelines Contemplated and Analyzed Future Anomaly Repair Work
 - a. Pipeline Project EIR/EIS

Future repair and maintenance activities such as the Anomaly Repair Work, and any related environmental impacts, were included and evaluated as part of the Pipeline Project's environmental review under the California Environmental Quality Act and National Environmental Policy Act (the "Onshore EIR/EIS").⁴⁴

The Onshore EIR/EIS explains that its impact analysis extends through the Onshore Pipelines' entire lifetime, including both pipeline "operation" and "maintenance." The Onshore EIR/EIS specifically acknowledges that routine maintenance activities like the Anomaly Repair Work would occur during the Onshore Pipelines' ongoing operation. For example, the Onshore EIR/EIS incorporates into the Pipeline Project's project description certain Oil Spill Contingency and Emergency Response Plans that address ongoing pipeline maintenance activities. These plans (which were directly attached to the Draft Onshore EIR/EIS and were available for public review and comment) acknowledged the Onshore Pipelines' ongoing inspection requirements, including the use of inspection "pigs" to "measure the severity of

⁴⁴ See Proposed Celeron / All American and Getty Pipeline Projects Environmental Impact Report/Environmental Impact Statement (EIR/EIS), SCH No. 83110902 (1984, 1985). The Draft Onshore EIR/EIS for the Pipeline Project is attached as Document No. 2 and available on the County's website here, and the Final EIR/EIS for the Pipeline Project is attached as Document No. 3 and available here.

⁴⁵ Document No. 3, Final Onshore EIR/EIS, Abstract, p. 2. The operational life of the Onshore Pipelines was assumed to continue until the "availability of crude oil" for the use in the pipelines was exhausted. Document No. 2, Draft Onshore EIR/EIS, p. 2-35.

corrosion and to inspect pipeline defects."⁴⁶ The plans confirmed that, if required, identified pipeline defects (i.e., anomalies) would be repaired, "cleaned and recoated" or "removed and replaced," and "faulty ... sections of pipe would be replaced as necessary."⁴⁷ The Onshore EIR/EIS concludes that compliance with these plans would "substantially reduce the oil spill risk" and reduce any significant impacts that would result from a major oil spill, including impacts related to soils, surface water, aquatic biology, and land use and recreation.⁴⁸ The County's Statement of Overriding Considerations also concluded that compliance with these plans, identified mitigation measures, and the Conditions of Approval would "mitigate[] as completely as possible" all "potential oil spill impacts" and other potentially significant impacts resulting from the Pipeline Project.⁴⁹

The scope of anomaly repairs analyzed in the Onshore EIR/EIS involve the exact same steps as described above for the Anomaly Repair Work. First, crews must access the anomaly repair sites using the same methods required to install the Onshore Pipelines in the first instance. The Onshore EIR/EIS acknowledged that constructing the pipeline route would involve "surface travel" over "[e]xisting roads or the ROW [right-of-way] itself," which could involve crossing "minor unpaved roads" and "stream crossings." Once an anomaly repair site is accessed, the Onshore EIR/EIS anticipated that the anomaly repairs would involve excavating and dewatering (if necessary) the affected pipeline segments, inspecting the pipelines, conducting repairs, reapplying insulation and outer wrap, and backfilling the repaired pipeline area.⁵¹ Significantly, in performing its analysis of future anomaly repairs along the pipelines' route, the Onshore EIR/EIS acknowledges that impacts to environmentally sensitive habitat areas (ESHA), such as oak woodlands, within the pipelines' right-of-way would be permanent (i.e., extending throughout the pipelines' lifetime due to anticipated and ongoing maintenance activities) and constitute a significant environmental impact.⁵² The Onshore EIR/EIS imposes no limitation on the number of sites where anomaly repairs may be undertaken at any one time or over the Onshore Pipelines' lifetime. As such, the pipeline anomaly repairs contemplated under the Onshore EIR/EIS may be undertaken at any number of sites where such work is necessary at the same time or over a condensed period without constituting a new or modified project under CEOA.53

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⁴⁶ Document No. 2, Draft Onshore EIR/EIS, Appendix H, p. 37.

⁴⁷ *Ibid.*; Document No. 3, Final Onshore EIR/EIS, RTC 37-4. The Onshore EIR/EIS's conclusions regarding the risk of oil spills, ruptures or leaks were predicated upon the pipeline operator's ability to repair anomalies detected in the pipelines. See Document No. 2, Draft Onshore EIR/EIS, p. 4-35 ("Large spills, ruptures, or detectable leaks are less probable in terms of potential groundwater contamination because in these instances the pipeline valves would be closed immediately and the defect repaired.").

⁴⁸ Document No. 2, Draft Onshore EIR/EIS, pp. S-5 through S-14.

⁴⁹ Document No. 5, 1986 Planning Commission Action, pp. 55-56.

⁵⁰ Document No. 2, Draft Onshore EIR/EIS, pp. 2-4, 2-26, 2-30.

⁵¹ See Document No. 2, Draft Onshore EIR/EIS, pp. 4-35 (acknowledging that "localized dewatering" would result in "negligible" impacts when required as part of pipeline "excavation and burial"); 2-22 ("any repairs would have field applied insulation and outer wrap prior to lowering in and backfill operations").

⁵² See, e.g., id., p. 4-57 ("About 220 acres of oak woodlands would be removed for the life of the project.").

⁵³ See *Committee for a Progressive Gilroy v. State Water Resources Control Bd.* (1987) 192 Cal. App. 3d 847, 862-63 (subsequent action approving project operations within limits specified in original EIR does not constitute a new

The Anomaly Repair Work occurs within the boundaries of the right-of-way analyzed in the Onshore EIR/EIS, which was disturbed by Onshore Pipeline construction and has remained impacted by ongoing pipeline inspection and operational activities.⁵⁴ Pipeline construction disturbed a corridor approximately 100-feet in width in the Coastal Zone, resulting in the removal of mature vegetation and ESHA, such as oak trees, and minor alterations to existing landforms. Lines CA-324 and CA-325 commenced operations in 1994 and 1991 respectively. Since then, the Onshore Pipelines' right-of-way has remained relatively devoid of mature vegetation, manmade structures, and other obstructions to prevent root-borne damage to the pipelines and facilitate prompt and continuous maintenance, repair, and inspection of the pipeline system. As such, an October 2020 Biological Resources Assessment confirmed that major work could be conducted in the Onshore Pipelines' maintenance corridor without "any substantial adverse effects on or significant impacts to biological, botanical, wetland, or riparian habitat resources."55 The Assessment's conclusion was based in part on the fact that Lines CA-324 and CA-325's maintenance corridor ran through already-disturbed "openings" in woodland and shrubland habitat.⁵⁶ The Assessment's conclusion also took into account potential impacts to ESHA located in proximity to the portions of Lines CA-324 and CA-325 located within the Coastal Zone.⁵⁷

Accordingly, the Anomaly Repair Work – including its inspection, site access, excavation, and backfilling components – falls well within the scope of the repair and maintenance activities disclosed and analyzed under the prior environmental documentation for the Pipeline Project.

b. Conditions of Approval

The Pipeline Project's Conditions of Approval, which were incorporated by reference into the FDP, CUP, and Onshore CDPs for the Onshore Pipelines, encompassed the same operational and maintenance components of the Pipeline Project as described in the Onshore

project requiring additional CEQA review); *County of Mono v. City of Los Angeles* (2022) 81 Cal.App.5th 657, 675 (subsequent action authorized by leases already subject to CEQA review does not constitute a new project triggering additional CEQA review).

⁵⁴ See Document No. 36, SCS Engineers, "Line 901 & Line 903 Replacement Project: 2nd Revised Biological Resources Assessment" (October 5, 2020), p. 19 ("[A]lthough existing conditions of the pipeline right-of-way vary, the majority of the corridor shows the initial Line 901/903 construction and subsequent ongoing maintenance activities have resulted in a readily recognizable corridor of predominately grassland habitat (60%)"). The "Replacement Project" proposed to replace Lines CA-324 and CA-325 (including the portions of the pipelines within the Coastal Zone) with a new pipeline that would be constructed parallel to the original pipeline. Although the Replacement Project ultimately was abandoned during the entitlement process, the Biological Resources Assessment remains relevant for its analysis of the biological setting surrounding Lines CA-324 and CA-325.

⁵⁵ *Id.*, p. 95.

⁵⁶ *Ibid*.

⁵⁷ See *id.*, p. 56.

EIR/EIS and, contrary to the EDCDO/NOI's assertions, confirm that no new or amended coastal development permit is required for the Anomaly Repair Work.⁵⁸

For example, Condition J-11 acknowledges that the Onshore Pipelines' right-of-way will be used for "operational maintenance" after construction is completed. Commission staff dismisses this acknowledgement as vague because it is "different from identifying the type, nature, and effects of such work. To the contrary, Condition J-11 is broadly drafted to cover the varied types of repair and maintenance activities discussed in the Onshore EIR/EIS, which are necessary for the safe operation of the Onshore Pipelines. Specifically, Condition J-11 provides "[f]ollowing installation of the [Onshore Pipelines], use of the right-of-way is restricted to operational maintenance" Just as Condition J-11 acknowledges ongoing operational maintenance activities in the right-of-way, the Conditions of Approval expressly incorporate the Onshore EIR/EIS's project description, which, as described above, included analysis of impacts extending throughout the Onshore Pipelines' operational life, including repair and maintenance activities like the Anomaly Repair Work. The Onshore EIR/EIS's assumption that anomaly repairs would be performed on an ongoing basis is consistent with federal regulatory requirements that pipeline operators must "take prompt action to address all anomalous conditions in the pipeline that the operator discovers."

Condition P-2 similarly contemplates that the pipeline operator will conduct "regular maintenance and safety inspections," "corrosion monitoring and leak detection," and "periodic safety audits." Condition P-2 also acknowledges that federal regulations require the pipelines' operator to undertake certain repair and maintenance activities such as the Anomaly Repair Work. The County later amended this Condition in 1987 to expressly state that "[p]ermits may not be withheld or suspended due to County concerns which are under the jurisdiction of 49 CFR Part 195 (Transportation of Hazardous Liquids by Pipeline), with the exception of areas/issues agreed to by the permittee and the County." The Anomaly Repair Work falls directly within Sable's obligations under 49 C.F.R. § 195.452(h)(1), which requires operators to "take prompt action to address all anomalous conditions in the pipeline that the operator discovers." As such, Condition P-2 confirms that required repair and maintenance activities like the Anomaly Repair Work would be undertaken pursuant to the pipelines' Conditions of Approval, FDP, and CDPs rather than requiring new or modified permits.

Commission staff argues that Condition P-2's requirement that permits cannot be "withheld or suspended due to County concerns which are under the jurisdiction of 49 CFR Part

⁵⁸ See Document No. 56, 2024 Conditions, p. 8 ("This permit is premised upon findings that where feasible, all significant environmental effects of the project identified in the EIR/EIS [], which occur in Santa Barbara County, will be substantially mitigated by the permit conditions.")

⁵⁹ *Id.*, at p. 31.

⁶⁰ Document No. 88, Coastal Commission, Letter re: "Notice Prior to Issuance of Executive Director Cease and Desist Order" (February 16, 2025).

⁶¹ See Document No. 56, 2024 Conditions, p. 8.

⁶² 49 C.F.R. § 195.452(h)(1).

⁶³ Document No. 56, 2024 Conditions, at p. 38.

 $^{^{64}}$ Ibid.

195" actually "reinforces the fact that future permits were, in fact, contemplated." Commission staff's interpretation reaches too far. Condition P-2's language simply constitutes an acknowledgement by the County that its authority over pipeline safety repairs is limited; it does not affirmatively suggest that future pipeline repair work requires new coastal development permits or other Coastal Act authorizations. Moreover, Commission staff's interpretation is in direct conflict with the County's permitting history for the Onshore Pipelines over the past 30 years where the County consistently has authorized Anomaly Repair Work without requiring a new or amended coastal development permit. The County's interpretation of the Onshore CDPs and its associated permits and environmental analysis are entitled to deference particularly where, as is the situation here, the Coastal Commission has not objected to or sought authority over the County's permitting actions for decades.

Commission staff also argue that the Conditions of Approval did not account for "unidentified future work with [] unknown circumstances, scoping and timing ... and its resulting impacts," and failed to consider potential impacts to "other types of sensitive coastal resources." To the contrary, the Onshore EIR/EIS and Conditions of Approval addressed biological impacts from the installation of the Onshore Pipelines and their ongoing repair and maintenance, such as the Anomaly Repair Work and imposed mitigation to account for permanent impacts during the Onshore Pipelines' operational lifetime. The Commission never objected to these impact analyses or argued that they insufficiently captured impacts to coastal resources when the County first issued the Onshore CDPs initially authorizing this work.

More specifically, rather than attempting to predict specific timelines for such common, frequent repair work on any pipeline, the Onshore EIR/EIS assumed that terrestrial biology within the Onshore Pipelines' operational right-of-way would be *permanently* impacted by ongoing repair and maintenance activities like the Anomaly Repair Work, and the Conditions of Approval incorporated mitigation to account for these permanent impacts.⁷⁰ For example, Condition H-1(j) originally required the pipeline operator to develop a "plan for *off-site*"

⁶⁵ Document No. 88, Coastal Commission, Letter re: "Notice Prior to Issuance of Executive Director Cease and Desist Order" (February 16, 2025).

⁶⁶ Whether Sable's repair and maintenance work also implicates permitting obligations with respect to the California Department of Fish and Wildlife or Regional Water Quality Control Board is irrelevant to whether such work is authorized under the County's Onshore CDPs, which constituted the authorization for such work under the Coastal Act.

⁶⁷ See Document Nos. 26, 25, and 19, County Land Use Permit Nos. 14LUP-00000-00168 (May 28, 2014), 14LUP-00000-00035 (Apr. 2, 2014), 95-LUS-418 (Oct. 30, 1995); see Document Nos. 27 and 31, County Zoning Clearance Nos. 14ZCI-00000-00086 (Sep. 24, 2014), 14ZCI-00000-00121 (Nov. 25, 2015).

⁶⁸ For example, in *Malaga County Water Dist. v. State Water Resources Control Bd.*, the Court of Appeal held that laches is an equitable defense to a state agency's administrative enforcement action where the agency's claim was unreasonably delayed and thereby resulted in prejudice. ((2020) 58 Cal.App.5th 447, 462-471.) Similarly, here, the Coastal Commission's sudden assertion that the County's Onshore CDPs do not allow for the Anomaly Repair Work is unreasonably delayed and prejudiced Sable because the County has allowed anomaly repair work to occur for decades under the Onshore CDPs and Sable undertook the Anomaly Repair Work without seeking additional Coastal Act authorization based on that past practice, which the Commission had never challenged.

⁶⁹ Document No. 88, Coastal Commission, Letter re: "Notice Prior to Issuance of Executive Director Cease and Desist Order" (February 16, 2025).

⁷⁰ See Document No. 56, 2024 Conditions, p. 13.

reestablishment of oaks to mitigate impacts to oak savannahs and woodlands along the route."⁷¹ The County later modified this condition to require the pipeline operator to endow an Alternative Oak Mitigation Program to reestablish oak savannahs and woodlands in Santa Barbara County at an off-site location to mitigate for the Project's permanent on-site oak tree impacts. Similarly, Conditions H-10 and H-11 required the pipeline operator to, after construction, replace and revegetate any disturbed catalina mariposa lily and refugio manzanita in locations "in or near" the disturbed area, but "exclusive of the operation [right-of-way]."⁷³ Erosion control was the key objective for any required revegetation along the pipelines' operational right-of-way – not the long-term reestablishment of sensitive species – because it was clearly understood that the Onshore Pipeline's right-of-way would continue to be disturbed regularly in the coming decades by ongoing pipeline operation and maintenance.⁷⁴

These Conditions confirm that any biological impacts along the Onshore Pipelines' operational right-of-way resulting from the Anomaly Repair Work are within the scope of impacts previously approved by the County. Sable also implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resources analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved. As such, any impacts resulting from the Anomaly Repair Work already have been considered, approved, authorized, and subject to mitigation. Neither the Conditions of Approval nor the Onshore EIR/EIS' analysis contemplate that additional environmental review or permitting would be required to undertake the operational maintenance work that the Onshore EIR/EIS identified would occur over the pipelines' lifetime.

As described above, the County's Statement of Overriding Considerations concluded that the pipeline operator's compliance with the Conditions of Approval would "mitigate[] as completely as possible" all "potential oil spill impacts" and other potentially significant impacts resulting from the Pipeline Project. The County is obligated to ensure compliance with its Statement of Overriding Considerations, including the prompt repair of anomalies, to ensure that significant impacts are mitigated to the maximum extent possible. Contrary to the EDCDO/NOI's assertion that the "utmost caution" must be taken before allowing any Anomaly Repair Work, the County's Statement of Overriding Considerations confirms that completing the

⁷¹ Document No. 5, 1986 Planning Commission Action, pp. 23-24 (emphasis added)

⁷² Document No. 56, 2024 Conditions, p. 21.

⁷³ *Id.*, p. 22 (emphasis added).

⁷⁴ See, *e.g.*, *id.*, at p. 20.

⁷⁵ See Documents No. 65 and 92, "Zoning Clearance Application for Open Anomaly Sites" (November 22, 2024), Attachments A, D.1, and D.2, "Materials Regarding Completed Anomaly Sites" (March 6, 2025), Attachments A, D.1 and D.2. See also Document No. 74, "Zoning Clearance Application for Planned Anomaly Sites" (December 6, 2024), Attachments A, D.1 and D.2.

⁷⁶ Document No. 5, 1986 Planning Commission Action, pp. 55-56.

⁷⁷ See *Sierra Club v. County of San Diego* (2014) 231 Cal. App. 4th 1152, 1167-68 ("Mitigating conditions are not merely expressions of hope. Once incorporated, mitigation measures cannot be defeated by ignoring them").

Anomaly Repair Work will serve as a protective measure for coastal resources and *reduce and avoid* any potential oil spill impacts.⁷⁸

Like the Onshore EIR/EIS, the Conditions of Approval also do not impose any limit or require new permits based on the number of sites where anomaly repairs may be necessary or undertaken at the same time or over a condensed period. To the contrary, repair and maintenance activities such as the Anomaly Repair Work fail to trigger any of the narrow circumstances under which the Conditions of Approval would require Sable to obtain a new or modified permit. Condition A-13 provides:

[The pipeline operator] shall obtain a new or modified permit, or authority to continue operation under the existing permit prior to undertaking any of the following activities which may, in the judgement of the County, result in significant changes to the impacts on the County. Such changes could include but not be limited to 1) major pipeline or pump station modifications; 2) major changes in pipeline throughput; 3) introduction of production to the pipeline from sources other than those described above [noted as the outer continental shelf and other locally produced onshore and offshore petroleum from the Santa Barbara and Santa Maria Basins], and 4) introduction of a different product from any source.⁷⁹

The Anomaly Repair Work does not trigger any of these requirements. The work does <u>not</u> involve: 1) "major pipeline or pump station modifications," as the Anomaly Repair Work is a standard repair and maintenance activity required by 49 C.F.R. § 195.452(h)(1); 2) "major changes in pipeline throughput," because the Work will not increase the pipelines' capacity; 3) "introduction of production ... from [new] sources"; or 4) "introduction of a different product."

Commission staff point to Condition A-13's language indicating that major changes requiring a new or modified permit also may include "any ... activities which may, *in the judgment of the County*, result in significant changes to the impacts on the County." Here, however, the County has repeatedly determined – and recently confirmed to the Commission in writing – that Anomaly Repair Work does *not* require any new or modified permit. As such, the Anomaly Repair Work does constitute a major change as contemplated under Condition A-13.

In sum, the Anomaly Repair Work falls within the scope of approved repair and maintenance activities contemplated by the Onshore Pipelines' Conditions of Approval, and as analyzed under the Onshore EIR/EIS, to be undertaken without any subsequent or modified coastal development permit or subsequent environmental review.

⁷⁸ See Document 90, EDCDO/NOI, p. 4.

⁷⁹ Document No. 56, 2024 Conditions, p. 4.

⁸⁰ See Document No. 88, Coastal Commission, Letter re: "Notice Prior to Issuance of Executive Director Cease and Desist Order" (February 16, 2025); Document No. 56, 2024 Conditions, p. 12. (emphasis added).

⁸¹ Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).

c. County's Confirmation that Anomaly Repair Work Falls Within Scope of Previously Issued Permits

Since receiving the 2024 NOV, Sable has engaged in extensive discussions with County staff regarding the Anomaly Repair Work and the scope of the County's prior allowances for similar work. The EDCDO/NOI asserts that "Sable has not submitted any [after-the-fact application] for work previously undertaken along the [Onshore P]ipeline[s]." To the contrary, on November 22, 2024 and December 6, 2024, Sable submitted applications to the County for Zoning Clearances for the Anomaly Repair Work, which included providing the County with additional information including site plans, grading quantities, biological and cultural resource surveys, and best management practices, regarding the work and anomaly dig sites. The County's CZO provides for a Zoning Clearance process whereby the County may review proposed development for compliance with conditions of approval including final development plans, conditional use permits, and coastal development permits. On the basis of the information Sable submitted with the Zoning Clearance applications, the County had the opportunity to review whether the Anomaly Repair Work already was authorized, whether additional information was needed, or whether the County would require a new or amended coastal development permit. He County would require a new or amended coastal development permit.

The County reviewed the information Sable submitted with its Zoning Clearance applications and has confirmed in a letter dated February 12, 2025, that the Anomaly Repair Work already is authorized by the pipelines' existing coastal development permits and, consistent with past practice, no new or separate Coastal Act authorization is required for Sable to perform the work ("Anomaly Repair Confirmation Letter"). The County's Anomaly Repair Confirmation Letter concludes that the Anomaly Repair Work was "contemplated, analyzed, and approved in the [Onshore Pipelines'] existing Final Development Plan, Major Conditional Use Permit, and associated Coastal Development Permits," "analyzed in the prior Environmental Impact Report/Environmental Impact Statement," and therefore requires "no further application to or action by the County."

As described above, the Anomaly Repair Work was analyzed as an ongoing maintenance activity under the Onshore EIR/EIS, and the Conditions of Approval confirm that such work was authorized by the FDP, CUP, and Onshore CDPs. The County's letter further confirms that Anomaly Repair Work included within Sable's Zoning Clearance applications falls within the scope of the Pipeline Project's previously issued permits. The County reached this conclusion after review of detailed descriptions, plans, and assessments provided to the County by Sable that was included in those Zoning Clearance applications concerning Anomaly Repair Work that was ongoing at the time the 2024 NOV was received as well as proposed future Anomaly Repair Work in the Coastal Zone.

⁸² Document No. 90, EDCDO/NOI, p. 6.

⁸³ CZO, §§ 35-174.9.2.c.2, 35-179A.2.b.

⁸⁴ See CZO, § 35-179A.2.b.

 ⁸⁵ See Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).
 86 Ibid.

The County's Anomaly Repair Confirmation Letter addressed the particular Anomaly Repair Work that was ongoing at the time Sable received the 2024 NOV as well as proposed future Anomaly Repair Work in the Coastal Zone. The Anomaly Repair Confirmation Letter is limited to those anomaly repairs because the information submitted by Sable to the County on November 22, 2024, and December 6, 2024, only addressed those ongoing and future anomaly repairs. On March 6, 2025, Sable submitted information regarding previously completed anomaly work in the Coastal Zone to the County, and such work is currently under review by the County. Sable's understanding of those previously completed repairs is that they are entirely consistent with the scope of Anomaly Repair Work that the County authorized in the Anomaly Repair Confirmation Letter, and Sable expects that the County's position regarding those previously completed repairs will be the same – specifically that no new or amended coastal development permit is required for those prior repairs either. Like Sable's other Anomaly Repair Work, Sable implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resources analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved.⁸⁷ Sable will submit to Commission staff any future correspondence from the County regarding these previously completed anomaly repairs.

The County is the delegated permitting authority under the Coastal Act pursuant to its certified LCP. The Coastal Commission first certified the County's LCP in March 1981, at which point the County became the lawful coastal development permitting authority within the County's jurisdiction under the Coastal Act. Repair Sursuant to that authority, in 1986 the County issued the Onshore CDPs. The Onshore CDPs were not appealed by any party, including the Coastal Commission. The CDPs are therefore final, valid, and not subject to further appeal. The County assessed Sable's Anomaly Repair Work, evaluated whether it fell within the scope of the Onshore CDPs, and in the Anomaly Repair Confirmation Letter the County expressly confirmed that such work was fully authorized by the Onshore CDPs.

Commission staff disagrees with the County's assessment and instead asserts that the above-cited Conditions of Approval, EIR/EIS, and mitigation measures imposed by both documents do not constitute "pre-authorization of any and all sorts of repair, maintenance, and upgrades that might be required multiple decades into the future." However, neither Sable nor the County have asserted that "any and all sorts of repair, maintenance, and upgrades that might be required multiple decades into the future" are expressly authorized by the Pipeline Project's existing Onshore CDPs, FDP, and Conditions of Approval. Rather, the only repair and maintenance work that the County authorized in the Anomaly Repair Confirmation Letter relates

⁸⁷ See Document No. 92, "Materials Regarding Completed Anomaly Sites" (March 6, 2025), Attachments A, D.1 and D.2.

⁸⁸ See Pub. Res. Code, § 30519.

⁸⁹ See Coastal Act Regulations, § 13313 (CDPs "issued by the local government shall become final unless a valid appeal is filed with the commission").

⁹⁰ Document No. 88, Coastal Commission, Letter re: "Notice Prior to Issuance of Executive Director Cease and Desist Order" (February 16, 2025), pp. 2-3.

to the Anomaly Repair Work that Sable identified in its 2024 Zoning Clearance applications. The Anomaly Repair Confirmation Letter does not extend beyond the scope of that work.

In fact, the County repeatedly has required new coastal development permits for other types of pipeline activities that involve more significant work that is beyond the type of repair and maintenance activities involved with the Anomaly Repair Work. For example, in 2000, the County issued CDP 00-CDP-169 for the Gaviota Creek Pipeline Lowering and Relocation Project, which replaced a section of the Onshore Pipelines at the Gaviota Creek crossing with a relocated pipeline segment installed deeper into bedrock. Unlike that far more significant project, the Anomaly Repair Work at issue here is being conducted within the Onshore Pipelines' already-disturbed operational right-of-way and does not result in any changes to the pipelines' alignment or installed depth.

Commission staff ignores that the County – as the applicable agency with delegated authority under the Coastal Act – expressly has confirmed that the Anomaly Repair Work was authorized by the Onshore Pipelines' existing Onshore CDPs, FDP, and Conditions of Approval. Because the County's confirmation was based on substantial evidence, it is entitled to deference. The County's Anomaly Repair Confirmation Letter also is entitled to deference because the County approved the FDP, CUP, Onshore CDPs, and Conditions of Approval in the first instance. The County issued the Onshore CDPs in 1986, and the Onshore CDPs were not appealed by any party, including the Coastal Commission. The County repeatedly has interpreted those Onshore CDPs to have authorized Anomaly Repair Work – while requiring new coastal development permits for more significant Onshore Pipeline work – and has *never* required a new or amended coastal development permit for Anomaly Repair Work in the 30 years since the Onshore Pipelines were built. Notably, the Commission has never asserted that such decisions were made in error or did not comply with the Onshore CDPs. Commission staff has not cited any authority authorizing the Commission to impose its interpretation of the County's previously-issued Onshore CDPs decades after the Onshore CDPs became final.

Although Sable's Zoning Clearance applications allowed the County to confirm that Anomaly Repair Work falls within the scope of the Onshore CDPs, the County also concluded that such work does not actually require Zoning Clearances. As the County's Anomaly Repair Confirmation Letter explained, its "assessment is consistent with the type of reviews conducted by the County, both inside and outside the Coastal Zone, on a regular basis to determine whether proposed development activities fall within the scope of existing permits." Therefore, based on its review, the County confirmed that "no further application to or action by the County is

⁹¹ See Document No. 21, Coastal Development Permit 00-CDP-169 (September 19, 2000).

⁹² See *Kurtzke v. City of San Diego* (2017) 11 Cal.App.5th 1034, 1040 (City's finding under Planning and Zoning Law was subject to substantial evidence standard, which does not permit courts to "substitute its own findings and inferences" for that of a local agency).

⁹³ See Pub. Res. Code, § 30600.5. Compare *Citizens for Responsible Equitable Environmental Development v. City of San Diego* (2010) 184 Cal.App.4th 1032, 1047 (local agency "entitled to significant deference" in interpreting its own Municipal Code).

⁹⁴ Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).

required."⁹⁵ This reflects a County understanding that Zoning Clearances should be used before commencing *initial* construction approved under a final development plan and that Zoning Clearances should not be used for each individual element of the approved development or use throughout the life of a project. Accordingly, the County offered to return the Zoning Clearance applications without taking any action on them other than confirming "that the pipeline anomaly repair work is authorized by the existing permits."⁹⁶

The County's Anomaly Repair Confirmation Letter is not appealable under the CZO or LCP. The CZO defines certain actions, decisions, and determinations for which an appeal to the Zoning Administrator, Planning Commission, or Board of Supervisors is permitted. Such appealable actions include decisions on applications for a coastal development permit or other planning permit, determinations as to the meaning or applicability of the CZO, and other decisions for which the CZO identifies the Planning Director as the applicable decision-maker. Anomaly Repair Confirmation Letter does not fall within any of these categories and is not identified under the CZO as an appealable action. The Anomaly Repair Confirmation Letter further confirms that it is "not appealable to the Planning Commission [or] Board of Supervisors." Rather, the Letter is consistent with informal non-discretionary assessments that the County undertakes on a regular basis to assess whether previously-approved development activities conform with their authorizing permits and approvals. Such ministerial confirmations are not subject to an appeal to any decision-maker within the County.

Moreover, the County's Anomaly Repair Confirmation Letter does not constitute an appealable action under the Coastal Act. Over the last 30 years, the County has employed different procedures to confirm that anomaly repair work complies with the pipelines' existing FDP and Onshore CDPs. These procedures have included using the County's Land Use Permit process, the Zoning Clearance process, as well as informal communications between the pipeline operator and the County through which certain anomaly repairs have been authorized. 100 Regardless of the exact process used, the County's review of anomaly repairs consistently has looked at whether the work proposed has been within the scope of the approved FDP and Onshore CDPs and those reviews have *never* been subject to the Commission's appellate jurisdiction. The County's confirmation that the work was authorized by the existing Onshore CDPs is "not appealable to the ... Coastal Commission" because the County is not taking any

⁹⁵ Ibid.

⁹⁶ *Ibid*.

⁹⁷ See CZO, § 35-57C.

⁹⁸ See *ibid.*, §§ 35-182.3.A, 35-182.4.A.2.

⁹⁹ See Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025). The County's letter is not a determination on an "application for development or the request for exemption or categorical exclusion" under Coastal Act Regulations section 13569. Instead, it is a confirmation that the proposed work already was authorized under the existing FDP and CDPs and that no application was required.

¹⁰⁰ See Document Nos. 26, 25, and 19, County Land Use Permit Nos. 14LUP-00000-00168 (May 28, 2014), 14LUP-00000-00035 (Apr. 2, 2014), 95-LUS-418 (Oct. 30, 1995); see Document Nos. 27 and 31, County Zoning Clearance Nos. 14ZCI-00000-00086 (Sep. 24, 2014), 14ZCI-00000-00121 (Nov. 25, 2015). The County's LCP was amended in 2014 to provide for the Zoning Clearance process. Land Use Permits have not been issued for anomaly repairs since that time.

final action or appealable action on an application for a coastal development permit. ¹⁰¹ Further, the County's letter is not an appealable determination as to whether the Anomaly Repair Work is exempt from coastal development permit requirements under the CZO or the Coastal Act. ¹⁰² The County's Anomaly Repair Confirmation Letter is not a determination of exemption but instead is a confirmation that the work already has been lawfully authorized through the existing Onshore CDPs issued by the County. ¹⁰³ As such, the Coastal Act provides no basis for an appeal to the Coastal Commission of the County's Anomaly Repair Confirmation Letter confirming that the Anomaly Repair Work falls within the scope of the Onshore Pipelines' existing approvals. While the CZO and the Coastal Act identify certain actions by the County that may be appealable, Land Use Permits, Zoning Clearances, and other non-discretionary authorizations by the Planning Department are not among them. ¹⁰⁴ The County's confirmation that the Anomaly Repair Work requires no further Coastal Act authorization is therefore final.

4. The County's Confirmation is Not Subject to Sections 30809 or 30810 of the Coastal Act

Commission staff erroneously cite Coastal Act sections 30809 and 30810 for the authority to issue the EDCDO/NOI. Sections 30809 and 30810 do not, however, vest Commission staff or the full Coastal Commission with a unilateral right to nullify the County's delegated local permitting authority under the Coastal Act simply because Commission staff disagree with the County's interpretation of its own previously-issued coastal development permits.

Sections 30809 and 30810 first authorize a cease and desist order to be issued if the Executive Director or the Coastal Commission determines that an activity has been (or is threatened to be) undertaken that may require "a permit *from the commission* without securing a permit." Second, a cease and desist order may be issued upon a determination that an activity that has been (or is threatened to be) undertaken that may be "inconsistent with any permit *previously issued by the commission*." Neither of these scenarios exist here. To the contrary, as confirmed in the County's Anomaly Repair Confirmation Letter and Sable's February 14, 2025, letter to Commission staff, Sable's Anomaly Repair Work was authorized by the Onshore CDPs, which were issued by the County – *not the Commission*. The EDCDO/NOI does not allege, and the Anomaly Repair Work does not require, any new or amended coastal

¹⁰¹ See *ibid.*; CZO § 35-186.6; Pub. Res. Code, §§ 30603, 30625; *City of Dana Point v. Cal. Coastal Commission* (2013) 217 Cal.App.4th 170, 188-189 (Section 30625 allows Coastal Commission appeals for "quasi-adjudicatory actions" on coastal development permits or claims of exemption).

¹⁰² See Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).

¹⁰³ See Pub. Res. Code, § 30625.

¹⁰⁴ See CZO, § 35-182.6.1-3. The County's 2014 LCP Amendment did not change these provisions of the CZO.

¹⁰⁵ Pub. Res. Code, §§ 30809(a), 30810(a) (emphasis added).

¹⁰⁶ Ibid.

¹⁰⁷ See Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).

development permit "from the Commission" and is not subject to a coastal development permit "previously issued by the Commission." ¹⁰⁸

Recognizing that neither of the above-mentioned triggers exist here, Commission staff cite a different subsection of Sections 30809 and 30810, which allow cease and desist orders "to enforce any requirements of a certified local coastal program ... or any requirements of [the Coastal Act]" when the "commission requests and the local government ... declines to act, or does not take action in a timely manner, regarding an alleged violation which could cause significant damage to coastal resources." Contrary to the EDCDO/NOI's assertion that "Santa Barbara County has declined to act in a timely manner" regarding the EDCDO/NOI's alleged Coastal Act violations, Commission staff acknowledge that the "County has indicated that it believes the [anomaly repair] work at issue is authorized by prior permits, and [the County] does not agree with Commission staff's conclusion that the [work] constitutes a violation of the Coastal Act and LCP."¹¹⁰ Commission staff's disagreement with the County's Anomaly Repair Confirmation Letter does not mean that the County has "declined" to exercise its delegated local permitting authority under the Coastal Act within the meaning of Section 30809 and 30810 and does not vest Commission staff with the right to impose its interpretation upon the County. Because the County has determined that the Anomaly Repair Work does not constitute a violation of the Coastal Act, no cease and desist order may be issued here.

5. No Restoration Order or Penalties May Be Issued

Commission staff also assert that the Commission may issue a restoration order with respect to Sable's Anomaly Repair Work. To the contrary, the Coastal Act does not allow for a restoration order or any associated administrative penalties to be issued.

Section 30811 of the Coastal Act allows the Commission to issue a restoration order "if it finds that the development has occurred without a coastal development permit from the commission [or] local government, the development is inconsistent with [the Coastal Act], and the development is causing continuing resource damage." None of those conditions exist here. As described above, the County's Anomaly Repair Confirmation Letter confirmed that the Anomaly Repair Work is authorized by the existing Onshore CDPs, and therefore the work did not "occur[] without a coastal development permit." The County also confirmed that no further Coastal Act authorization was required for the Anomaly Repair Work, demonstrating that the work was not "inconsistent" with the Coastal Act. Finally, Sable implemented several construction best management practices to ensure that impacts to coastal resources, biological

¹⁰⁸ Pub. Res. Code, § 30809(a).

¹⁰⁹ Pub. Res. Code, §§ 30809(a), 30810(a).

¹¹⁰ Document No. 90, EDCDO/NOI, pp. 3-4, 8.

¹¹¹ Pub. Res. Code, § 30811. Even if Sable's anomaly repair work were not authorized by the Onshore EIR/EIS, Onshore CDPs, and Pipeline Project's related approvals, such work is not inconsistent with the Coastal Act and could receive a coastal development permit from the County.

¹¹² *Ibid.*, Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).

¹¹³ Pub. Res. Code, § 30811; See Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).

resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resources analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved. Therefore, Sable's Anomaly Repair Work is not "causing continuing resource damage." Because none of statutorily required conditions exist for the issuance of a restoration order, no restoration order may be issued.

Commission staff also assert that Coastal Act sections 30820, 30821.3, 30821.6, and 30822 authorize penalties to be levied against Sable related to the Anomaly Repair Work. None of those sections apply here and thus no penalties may be levied.

Section 30820 authorizes civil penalties to be imposed by the superior court when a person "undertakes development that is in violation [of the Coastal Act] or that is inconsistent with any coastal development permit previously issued by the commission [or] a local government," and section 30822 authorizes actions for exemplary damages when a person has "intentionally and knowingly violated any provision of [the Coastal Act]." Similarly, section 30821.3 authorizes the Commission to levy administrative penalties against a person "who is in violation of any provision of [the Coastal Act.]" Here, Sable's Anomaly Repair Work was expressly authorized by the County's Anomaly Repair Confirmation Letter, which confirmed that the Anomaly Repair Work was authorized under the Onshore Pipelines' existing Onshore CDPs. As such, Sable's Anomaly Repair Work did not constitute any violation of the Coastal Act, any coastal development permits, or any knowing and intentional violation.

Finally, section 30821.6 authorizes civil liability against persons who "intentionally or negligently violate[] any cease and desist order," with the "actual penalty imposed [to] be reasonably proportionate to the damage suffered as a consequence of the violation." Here, for the reasons discussed above, neither Commission staff nor the full Commission possess the authority to issue any cease and desist order with respect to the Anomaly Repair Work because such work was authorized by the County's existing Onshore CDPs, as the County's Anomaly Repair Confirmation Letter confirmed. Sable's continued Anomaly Repair Work occurred pursuant to this express authorization, and therefore does not constitute an intentional or negligent violation of any cease and desist order. Moreover, Sable implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact

¹¹⁴ See Documents No. 65 and 92, "Zoning Clearance Application for Open Anomaly Sites" (November 22, 2024), Attachments A, D.1, and D.2, "Materials Regarding Completed Anomaly Sites" (March 6, 2025), Attachments A, D.1 and D.2. See also Document No. 74, "Zoning Clearance Application for Planned Anomaly Sites" (December 6, 2024), Attachments A, D.1 and D.2.

¹¹⁵ Pub. Res. Code, § 30811.

¹¹⁶ See Document No. 90, EDCDO/NOI, p. 13 (citing Pub. Res. Code, §§ 30821.3, 30820, 30821.6, 30822).

¹¹⁷ Pub. Res. Code, § 30820.

¹¹⁸ Pub. Res. Code, § 30821.3.

¹¹⁹ Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).

¹²⁰ Pub. Res. Code, § 30821.6.

analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resources analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved. Accordingly, and contrary to the EDCDO/NOI's allegations, no penalties may be levied against Sable related to the Anomaly Repair Work.

6. The County's Anomaly Repair Confirmation Letter Demonstrates that
Any Consolidated Permit or Dispute Resolution Process Would Be
Procedurally Improper

The EDCDO/NOI suggests that Commission staff would "work with [Sable] and the County on a consolidated permit to move forward in the most efficient and streamlined manner possible." This "offer" is another attempt by the Commission to assert jurisdiction over Sable's Anomaly Repair Work where no such jurisdiction exists. As Commission staff is aware, a consolidated coastal development permit is only appropriate when a "project requires a coastal development permit from *both* a local government with a certified local coastal program and the commission." Here, the County's Anomaly Repair Confirmation Letter confirmed that no new coastal development permit is required from the County for the Anomaly Repair Work, and the EDCDO/NOI does not allege that the Anomaly Repair Work is subject to the Commission's retained original permitting jurisdiction. Any consolidated coastal development permit application for the Anomaly Repair Work would be procedurally improper, and Sable has not consented to submitting such an application.

The EDCDO/NOI also states that Commission staff "initiat[ed] a review of the County's [February 12, 2025] determination, pursuant to Section 13569 of the Commission's regulations." Section 13569 of the Coastal Act Regulations provide for a dispute resolution process where Commission staff and a local agency disagree about "whether a proposed development is exempt or categorically excluded [from the Coastal Act's permitting requirements], or whether a decision on the proposal would be appealable to the Commission." The County's Anomaly Repair Confirmation Letter falls into neither category. As the County confirmed in writing, the Anomaly Repair Confirmation Letter "did not allow activity without a permit, nor did the County take action on a permit or development application that may be appealable to the Coastal Commission." As such, any dispute resolution process regarding the County's determination is not authorized by the Coastal Act Regulations.

¹²¹ See Documents No. 65 and 92, "Zoning Clearance Application for Open Anomaly Sites" (November 22, 2024), Attachments A, D.1, and D.2, "Materials Regarding Completed Anomaly Sites" (March 6, 2025), Attachments A, D.1 and D.2. See also Document No. 74, "Zoning Clearance Application for Planned Anomaly Sites" (December 6, 2024), Attachments A, D.1 and D.2.

¹²² Document No. 90, EDCDO/NOI, p. 2.

¹²³ Pub. Res. Code, § 30601.3(a)(1) (emphasis added).

¹²⁴ See Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).

¹²⁵ Document No. 90, EDCDO/NOI, p. 7.

¹²⁶ Coastal Act Regulations, § 13569(a).

¹²⁷ Document No. 91, County, Letter re: "Sable Offshore Corp. – California Coastal Commission's (CCC) Reference to Dispute Resolution Process" (February 24, 2025).

7. Preemption by Federal and State Law

Provisions of the County's CZO and County's Code of Ordinances ("County Code") are preempted and inapplicable where they "conflict" with federal or state law. A "conflict" between local and general laws occurs where the local law "duplicates, contradicts or enters an area fully occupied by general law." Here, provisions of the County's CZO and County Code that conflict with Sable's obligations under applicable federal and state regulations, including those that regulate pipeline safety and repairs, are preempted.

San Diego Gas & Electric Co. v. City of Carlsbad illustrates the extent to which the County Code and CZO may be preempted by federal and state law. In that case, SDG&E dredged a lagoon near an electrical generation plant to enable seawater to be used to cool the plant's generation units. The City of Carlsbad required SDG&E to obtain a special use permit, pursuant to a floodplain ordinance and the City's coastal development ordinance, to undertake these dredging activities. SDG&E challenged the City's jurisdiction over its dredging activities under the coastal development and floodplain ordinances. The Court of Appeal held that "the City's requirement of a special use permit for dredging" – an "essential maintenance activity" – placed a "physical and economic burden on SDG&E's operation and maintenance" of the plant and was therefore preempted by the CPUC's "statewide interest in ensuring that utility operations are conducted in a safe and efficient manner." 133

Similarly, here, federal law preempts any CZO or County Code regulation as to pipeline safety. Applicable federal regulations¹³⁴ specifically require Sable to "take prompt action to address all anomalous conditions in [any] pipeline,"¹³⁵ and also generally regulate pipeline design, corrosion control, operation and maintenance activities, and pipeline safety.¹³⁶ As California's enforcement authority for such regulations¹³⁷, the Office of the State Fire Marshal (OSFM) issued two State Waivers on December 17, 2024, that require Sable to conduct anomaly

¹²⁸ See, *e.g.*, *U.S. v. City of Pittsburg, Cal.* (9th Cir. 1981) 661 F.2d 783 (federal law preempts local land use regulation); Cal. Const. art. XI, § 7 ("A county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations *not in conflict with general laws.*") (emphasis added); *People ex re. Deukmejian v. County of Mendocino* (1984) 36 Cal.3d 476 (state law preempts local land use regulation).

¹²⁹ Viacom Outdoor, Inc. v. City of Arcata (2006) 140 Cal.App.4th 230, 236.

¹³⁰ See San Diego Gas & Electric Co. v. City of Carlsbad (1998) 64 Cal.App.4th 785, 789.

¹³¹ See *id.*, at p. 790.

¹³² See *id.*, at p. 791.

¹³³ *Id.*, at p. 802.

¹³⁴ See 49 C.F.R. Part 195, adopted by OSFM at 19 C.C.R. § 2000.

¹³⁵ 49 C.F.R. § 195.452(h)(1).

¹³⁶ See, *e.g.*, *id.*, §§ 195.110(b), 252(a) (requiring backfill for pipeline support), 248 (minimum cover requirements) 246 (preventing external damage to exposed pipelines), 414 (requiring repairs for weather-related damage), 569, 585 (inspections and actions to correct corrosion), 436 (protecting against pipeline vandalism).

¹³⁷ See Government Code, § 51010 (vesting OSFM with the "exclusive safety[,] regulatory and enforcement authority over intrastate hazardous liquid pipelines" and establishing OSFM as the implementing authority for the federal Hazardous Liquid Pipeline Safety Act and "federal pipeline safety regulations as to those portions of interstate pipelines" located in California). See also 19 C.C.R. §§ 2000 (OSFM's adoption of the Pipeline and Hazardous Materials Safety Administration (PHMSA) implementing regulations), 2100 et seq. (regulating new and replacement pipelines in certain areas within the Coastal Zone).

repairs on the pipelines within 180 days, if not immediately. Any local regulations that interfere with Sable's ability to complete these anomaly repairs on the timelines required by OSFM would present a genuine conflict with Sable's ability to comply with federal regulations, and therefore would be preempted. 139

The County acknowledges that its authority over pipeline safety repairs is preempted. For example, Condition P-2 states that "permits may not be withheld or suspended due to County concerns which are under the jurisdiction of 49 C.F.R. Part 195 (Transportation of Hazardous Liquids by Pipeline), with the exception of areas/issues agreed to by [the pipeline operator] and the County." Moreover, as part of a Settlement Agreement entered into by the County and the pipelines' original proponent (the Celeron Pipeline Company of California), the County agreed that it was preempted from regulating pipeline design, construction, and operation covered under 49 C.F.R. Part 195. [14]

The County's February 12, 2025, letter does not address preemption related issues and confirms that Sable's Anomaly Repair Work already is authorized under the County's Certified LCP and the Onshore CDPs. However, Sable notes for the record that it is not waiving any preemption related defenses.¹⁴²

8. Conclusion

Despite the EDCDO/NOI's allegations to the contrary, the Anomaly Repair Work has received all required authorizations under the Coastal Act. The County fully analyzed environmental impacts resulting from, and ultimately approved, repair and maintenance activities on the Onshore Pipelines such as the Anomaly Repair Work when it initially approved the pipelines' CDPs and associated construction activities in the 1980s. The County's Anomaly Repair Confirmation Letter has since confirmed that Sable's Anomaly Repair Work falls within the scope of those prior approvals and does not require a new or modified coastal development permit. Sable's continued Anomaly Repair Work has occurred pursuant to this authorization. Therefore, the Anomaly Repair Work does not violate the Coastal Act, LCP, or County Code, Sable has not intentionally, negligently, or knowing violated the Coastal Act or any Cease and Desist Order, and no cease and desist order, restoration order, or penalties are appropriate or warranted.

¹³⁸ See Document Nos. 77 and 82, OSFM, Letter of Decision on State Waiver Requests (CA-324 and CA-325A/B) (Dec. 17, 2024). PHMSA confirmed that it did not object to OSFM's State Waivers on February 11, 2025. See PHMSA, Letters re: Docket No. PHMSA-2025-0002 and -0003 (Feb. 11, 2025).

¹³⁹ See, e.g., Bernstein v. Virgin Am., Inc., 3 F.4th 1127, 1140 (9th Cir. 2021).

¹⁴⁰ Document No. 56, 2024 Conditions, p. 35, Condition P-2.

¹⁴¹ See Document No. 10, Celeron Settlement Agreement (Feb. 8, 1988), p. 2. The Celeron Settlement Agreement is also available here.

¹⁴² Sable does not waive any right to assert that any future approvals or permitting requirements may be preempted by federal and state law.

C. Safety Valve Installation Work

1. Short Summary

The 2024 NOV, October 4 Letter, and EDCDO/NOI also allege that Sable installed safety valves along the Onshore Pipelines "without the requisite Coastal Act authorization." To the contrary, Sable completed repair and maintenance work to install the referenced safety valves in compliance with requirements under state law – which the Coastal Commission supported – and only after receiving confirmation from the County under its delegated LCP authority, that no further authorization from the County was required.

In light of Commission staff's allegations, Sable is preparing to submit additional materials regarding the safety valve installation work to the County for confirmation as to whether a new or amended coastal development permit is required. Until the County responds, any assertion that such work violated the Coastal Act, as asserted in the EDCDO/NOI, is premature and would usurp the County's authority to interpret its previously issued coastal development permits and LCP.

2. AB 864 Background

In 2015, the California Legislature enacted Assembly Bill 864 ("AB 864") to add Section 51013.1 to the Elder California Pipeline Safety Act in order to improve pipeline safety and reduce the risks associated with potential releases of oil from pipelines in the Coastal Zone. The legislation requires pipeline operators in environmentally sensitive areas to use best available technology ("BAT") including, but not limited to, "leak detection technologies, automatic shutoff systems, or remote controlled sectionalized block valves, or any combination of these technologies" to reduce the volume of potential spills in these areas. ¹⁴³ When considering AB 864, the State Senate's analysis stated that "[e]arly oil spill detection technology and automatic shut-off controls are critical tools in preserving California's ocean waters, coastline, and wildlife."

Coastal Commission staff recommended that the Commission support the bill, stating that:

"[I]n a time of emergency, when confusion can impede decisions and delay crucial actions, and every passing minute results in greater environmental harm, the time saved by an automatic shutoff system can make the difference between a minor spill and a catastrophe. Requiring best achievable technologies, including but not limited to automatic shutoff systems, in pipelines near state waters and sensitive habitat areas has the potential to prevent or substantially reduce the amount of oil released into state waters, including coastal waters, beaches, bluffs, and other sensitive coastal habitats." ¹⁴⁵

¹⁴³ Gov't Code, § 51013.1(b)(1); see also Cal. Code Regs., tit. 14, §§ 2100-2120 ("AB 864 Regulations").

¹⁴⁴ Document No. 30, Senate Rules Committee, AB 864 Third Reading (Sep. 1, 2015), p. 7.

¹⁴⁵ Document No. 29, Coastal Commission, Bill Analysis: AB 864 (Jul. 8, 2015).

The Coastal Commission accepted staff's recommendation and supported AB 864.¹⁴⁶ Several other agencies and environmental groups also supported AB 864's adoption as well.¹⁴⁷ The Legislature enacted AB 864 and it became effective January 1, 2016.

AB 864 charged OSFM with drafting its implementing regulations and granted OSFM the exclusive authority to enforce them. AB 864 Regulations became effective on October 1, 2020, and set an aggressive compliance schedule. Pipeline operators subject to AB 864 were required to submit a risk analysis and plan to retrofit existing pipelines with BAT by October 1, 2021. AB 905 OSFM anticipated that all pipeline BAT retrofits would be completed by April 1, 2023 – just eighteen months after operators were required to submit their plan for OSFM approval. This timeline was based in part on an assumption that "[p]ermitting costs to install [AB 864's required safety valves] would be negligible and that "[i]n most cases, a permit [] may not be required."

In April 2021, Sable's predecessor-in-interest for the Onshore Pipelines, Plains Pipeline, L.P. ("Plains"), secured approval from OSFM for its plan to retrofit the Onshore Pipelines with 16 safety valves as required under AB 864. Plains' plan included both motor-operated valves ("MOVs"), which are equipped with an electrical shut-off system connected to utility lines or a solar power source, and check valves ("CHKs"), which involve an automatic shut-off system with one-way flow closure. Of the 16 safety valves OSFM approved for the Onshore Pipelines, seven were located in the Coastal Zone.

3. The Onshore Pipelines' EIR/EIS, FDP, and CDPs Contemplated Valve Installations and Analyzed Resulting Impacts

Although AB 864 became effective in 2016, safety valves are neither unique nor uncommon. To the contrary, the Onshore EIR/EIS, FDP, and Onshore CDPs each contemplated safety valve installation work.

¹⁴⁶ See Document No. 30, Senate Rules Committee, AB 864 Third Reading, p. 5.

¹⁴⁷ See *id.*, at pp. 5-6. Supporting organizations included the Center for Biological Diversity, Citizens Planning Association of Santa Barbara County, Community Environmental Council, Environmental Defense Center, Gaviota Coast Conservancy, Get Oil Out!, Heal the Bay, Heal the Ocean, Natural Resources Defense Council, Santa Barbara Audobon, Santa Barbara Channelkeeper, Santa Barbara County Action Network, Santa Barbara County Board of Supervisors, Sierra Club California, Surfrider Foundation (Santa Barbara Chapter), and Wishtoyo Foundation.

¹⁴⁸ See Gov't Code §§ 51013.1(g)(2), 51010 ("It is the intent of the Legislature . . . that the State Fire Marshal shall exercise exclusive safety regulatory and enforcement authority over intrastate hazardous liquid pipelines. . .."); § 51013.1(c) (directing OSFM to promulgate regulations pursuant to this section, including defining automatic shutoff systems, creating a process to assess the adequacy of the operator's risk analysis, creating a process by which an operator may request confidential treatment of information submitted in the plan, and determining how near to an environmentally and ecologically sensitive area a pipeline must be to be subject to the requirements of Section 51013.1).

¹⁴⁹ See AB 864 Regulations, § 2108(b).

¹⁵⁰ See *ibid*.

¹⁵¹ Document No. 34, CalFIRE, Standardized Regulatory Impact Assessment: Requirements for New, Replacement, or Existing Pipelines Near Environmentally and Ecologically Sensitive Areas in the Coastal Zone (Oct. 31, 2018), p. 21.

The Onshore EIR/EIS analyzed the installation of fifteen "[p]ipeline block and check valves [] located at strategic locations along the route," including at "sensitive water crossings[,] to minimize oil losses into streams should the pipeline fail or be damaged."¹⁵² 'Check valves,' like the CHKs approved for the Onshore Pipelines by OSFM, would be "designed to automatically prevent the backward flow of oil." 153 'Block valves,' on the other hand, were anticipated to operate in the same basic way as MOVs: "us[ing] an electric motor to open and close the valve."154 Block valves contemplated by the Onshore EIR/EIS also involved permanent above-grade equipment and a guard fence (protecting an approximately 200 square foot area) within the Onshore Pipelines' already-disturbed 50-foot operational right-of-way. 155 The Onshore EIR/EIS acknowledged that these fenced areas "would be kept clear of woody vegetation" and that operators would regularly access the operational right-of-way to "ensure proper operation and prevent encroachment of woody vegetation."¹⁵⁶ According to the Onshore EIR/EIS, this "series of block and check valves" would "control [] the loss of oil in the event of a leak or rupture." The Onshore EIR/EIS ultimately concluded that the "[u]se of automatic block valves and check valves [], as part of the project description, would substantially reduce the oil spill risk" and reduce any significant impacts that would result from a major oil spill, including impacts related to soils, surface water, aquatic biology, and land use and recreation. 158 As such, installing safety valves is a coastal resources protective measure that reduces and avoids impacts resulting from a potential oil spill – not an improvement that has the potential to exacerbate or cause "damage to coastal resources," as the EDCDO/NOI alleges. 159

The Onshore Pipelines' FDP and CDPs also acknowledged that the operator would undertake certain safety valve installation work. Condition P-13 required the operator to "design the pipeline such that the entire pipeline will have effective control communication ... [with] all remotely activated valves. Any break, rupture, and/or damage to the pipeline shall result in the orderly shutdown of the pumping operations, and will activate the shut off valves, if appropriate, in a manner which will minimize environmental damage." Conditions of Approval E-4 and F-7 further required the operator to install "isolation valves" at "all places where the pipeline crosses an active fault," "on either side of all perennial stream and river crossings," and at potential additional locations "as required by the Coastal Zoning Ordinance." Condition M-5 also acknowledged that block valve sites would be "visible along [the] route after the completion of pipeline construction." 162

The additional safety valves approved by OSFM under the AB 864 compliance plan were consistent with these requirements and the work required to install safety valves is consistent

¹⁵² Document No. 2, Draft Onshore EIR/EIS, pp. 2-5, 4-117.

¹⁵³ Id., Glossary.

¹⁵⁴ *Ibid*.

¹⁵⁵ *Id.*, pp. 2-6 through 2-7.

¹⁵⁶ *Id.* p. 2-32.

¹⁵⁷ *Id.*, p. 4-107.

¹⁵⁸ *Id.*, pp. S-5 through S-14, 4-39.

¹⁵⁹ Document No. 90, EDCDO/NOI, p. 4.

¹⁶⁰ Document No. 5, 1986 Planning Commission Action.

¹⁶¹ *Ibid*.

¹⁶² *Ibid*.

with previously authorized, ongoing repair and maintenance activities along the Onshore Pipelines. More specifically, the additional valves were located within the Onshore Pipelines' already-disturbed operational right-of-way where permanent impacts to terrestrial biology were assumed to extend throughout the pipelines' lifetime. As discussed below, County staff's analysis confirmed that installing these valves would not result in any new or substantially more severe impacts to biological resources, including coastal resources, than were approved for the pipelines in the first instance. The MOVs approved by OSFM were similarly anticipated to have minimal above-ground infrastructure, consistent with the visual impacts associated with block valves as analyzed under the EIR/EIS. Like the valves contemplated under the Onshore EIR/EIS, FDP, and Onshore CDPs, the additional safety valves also would minimize environmental damage in the event of a leak, reducing significant impacts resulting from a potential oil spill as described in the Onshore EIR/EIS.

4. The County Acknowledged Lack of Jurisdiction Over Safety Valve Installation Work

Because the OSFM-approved safety valve installation work was consistent with the impacts considered, analyzed, and mitigated for under the Onshore Pipelines' FDP, Onshore CDPs, and Onshore EIR/EIS, individual zoning clearance applications for the safety valve installation work were submitted to the County in December 2021 and March 2022. Under the County's CZO, Zoning Clearances allow the County to review proposed development for compliance with conditions of approval including final development plans, conditional use permits, and coastal development permits. ¹⁶⁴

County staff initially opted to prepare discrete amendments to the Onshore Pipelines' FDP and Onshore CDPs related to the proposed safety valve installation work. As part of that process, staff recommended that the County Zoning Administrator determine the safety valve installation work would be exempt from CEQA review under several categorical exemptions. The Zoning Administrator approved staff's requested amendments to the Onshore Pipelines' FDP and Onshore CDPs and approved the safety valve installation work on August 22, 2022. County staff prepared a draft addendum to the Onshore EIR/EIS analyzing whether the proposed safety valve installation work would trigger the need to prepare a new environmental impact report under CEQA.

The draft addendum concluded that safety valve installation work "presents minor incremental impacts *that remain less than those identified for the originally approved [Pipeline*

¹⁶³ Document No. 2, Draft EIR/EIS, p. 4-57.

¹⁶⁴ CZO, §§ 35-174.9.2.c.2, 35-179A.2.b.

¹⁶⁵ See Document No. 38, County Zoning Administrator Staff Report, Plains Line 901-903 Valve Upgrade Project (Jul. 7, 2022).

¹⁶⁶ See *id.*, Attachment A, p. A-1 (citing 14 C.C.R., §§ 15301(b), 15303(d), 15311, and Pub. Res. Code § 21080.23(a)).

¹⁶⁷ See Document No. 39, County, Zoning Administrator Action Summary (August 22, 2022).

P]roject."¹⁶⁸ The draft further confirmed that incremental impacts in each of the following impact areas would be less than those identified in the Onshore EIR/EIS:

- **Soils:** "[The] additional valves will provide more control to limit potential oil spills from the pipelines that could negatively impact soils. The proposed project will result in reduced impacts to soils when compared to the originally approved project."
- Surface and Groundwater: "[C]onstruction areas were specifically chosen to avoid riparian habitats and stream areas. The use of block and check valves was included in the original EIR/EIS to mitigate for spills into coastal streams. The proposed project will increase the number of valves and utilize updated, best available technology for better control. As identified by the Office of State Fire Marshal's approved BAT Implementation Plan, the additional valves included in the proposed project will significantly reduce the volume of a potential pipeline release by affording the operator more control to limit the volume of a spill. Disturbance areas will be restricted to within the existing 50-foot ROW and such disturbances will be revegetated and restored after construction activities conclude. ... The proposed project will result in reduced impacts to water resources when compared to the originally approved project and the placement of each valve site will not present an environmental impact to water resources."
- Scenic/Visual Resources Impacts: "The size and scale of the proposed valve stations are compatible with the character of the surrounding environment and existing agrarian developments. None of the proposed valve sites will obstruct views of scenic coastal areas, or alter natural landforms. None of the valve locations are located near any streams or within a Flood Hazard Overlay or floodway. No signs or new lighting sources are proposed. ... The valve sites will be visually subordinate to the surrounding environment. ... Therefore, impacts to visual resources from the proposed project will be less than those of the originally approved project and no new measures will be needed to address these impacts."
- **Biological Impacts:** "The [safety valve installation work] would result in substantially reduced impacts to biological resources because of the limited footprints of the individual work areas and the fact [that] the construction areas are located outside of sensitive habitat areas. ... The use of block and check valves was included in the original EIR/EIS to mitigate for spills into coastal streams. The [safety valve installation work] would increase the number of valves and utilize updated, best available technology for better control. As identified by the Office of State Fire Marshal's approved BAT Implementation Plan, the additional valves [] would significantly reduce the volume of a potential pipeline release by affording the operator more control to limit the volume of a spill. Disturbance areas would be restricted to within the existing 50-foot ROW and such disturbances would be revegetated and restored after construction activities conclude. The proposed project

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¹⁶⁸ Document No. 41, County Planning Commission Staff Report, Gaviota Coast Conservancy & GreyFox, LLC Appeal of Plains Valve Upgrade Project, Attachment C-1, p. C-6 (March 3, 2023).

will not result in any new significant environmental effects or a substantial increase in the severity of previously identified significant effects."

- Cultural/Historic Resources: "A Phase I Cultural Resources Inventory, dated March 2022, for the Lines 901 and 903 AB 864 Valve Installation project, prepared by Albion was conducted to confirm cultural sites along the pipeline's ROW have been avoided in the placement of the proposed valve sites. With the information produced from the Cultural investigation [], and due to the limited footprint of the valve construction areas, the proposed project will be less impactful to cultural resources when compared to the originally approved project. Thus, the proposed project will not present new or increased cultural resource impacts."
- Hazards and Risks: "Installation of the proposed [safety valves] would reduce the baseline worst case spill volume of 3,622.20 bbls to 1,871.40 bbls, a 48% reduction from existing conditions. Therefore, while impacts from a potential oil spill continue to be significant and unavoidable, the proposed project would reduce the potential volume of an oil spill by installing additional check and motor operated valves." ¹⁶⁹

The Zoning Administrator's decision was subsequently appealed to the County Planning Commission. On April 26, 2023, the Planning Commission granted the appeals, denied staff's requested amendments, and did not approve County staff's CEQA exemption determination or addendum. 170 The Planning Commission's action was then appealed to the Board of Supervisors. The Board of Supervisors held a hearing on August 22, 2023, to consider the appeals, but the Board ended its hearing with a 2-2 split vote regarding whether the grant or deny the appeals. ¹⁷¹ This tied vote resulted in "no action," effectively leaving the Planning Commission's denial of the safety valve installation work intact. ¹⁷² Sable subsequently commenced litigation against the County, alleging that the Planning Commission's denial constituted an abuse of discretion that effectively prevented Sable from complying with AB 864. Sable also revised OSFM's approved AB 864 compliance plans such that all additional safety valves – both CHKs and MOVs – would be installed below- or at-grade. These revisions would further reduce permanent visual impacts related to the safety valve installation work relative to those disclosed in the Onshore EIR/EIS.

On August 30, 2024, Sable and the County entered into a Settlement Agreement in which both parties acknowledged that, pursuant to the Celeron Settlement Agreement discussed above, the County is preempted "in the field of pipeline safety regulation and safety oversight as it relates to the [pipelines]."¹⁷³ Moreover, the parties acknowledged a "presum[ption]" that "the County is preempted when the activity to be performed is one foot or more below the surface of the ground and related to the operation of a pipeline."¹⁷⁴ On September 4, 2024, County staff

¹⁶⁹ *Id.*, pp. C-6 through C-15.

¹⁷⁰ See Document No. 42, County, Planning Commission Action Summary (April 26, 2023).

¹⁷¹ See Document No. 43, County, Board of Supervisors Action Summary (August 23, 2023).

¹⁷³ Document No. 46, Conditional Settlement Agreement and Release (August 30, 2024).

¹⁷⁴ *Ibid*.

confirmed that the County "does not have permit authority or jurisdiction over the sixteen (16) safety valves and their ancillary equipment as currently proposed because they are safety valves required by state law [AB 864], related to the operation of an interstate Pipeline, and one foot or more underground" ("Safety Valve Confirmation Letter"). ¹⁷⁵

5. <u>Sable Plans to Submit Additional Information Regarding Safety Valve</u> Installation

Consistent with the County's Safety Valve Confirmation Letter, Sable installed the safety valves in compliance with AB 864. Like the valves approved by OSFM, Sable installed seven total valves in the Coastal Zone, including six MOVs and one CHK valve. Sable's safety valve installation work required similar (and in some cases less) construction disturbance as other authorized repair and maintenance activities, including the Anomaly Repair Work. All work associated with the safety valve installations took place within the Onshore Pipelines' already-disturbed operational right-of-way, where both the Onshore EIR/EIS and Conditions of Approval anticipated that impacts to terrestrial biology would be permanent and ongoing during the Onshore Pipelines' operational lifetime. Accordingly, consistent with the discussion above regarding the Anomaly Repair Work, the safety valve installation work was previously analyzed and approved pursuant to the Onshore Pipelines' EIR/EIS and Conditions of Approval.

Sable undertook the following steps to install each valve:

For the six MOV valves:

(1) excavating the site, including the dirt beneath the targeted pipeline segment, (2) exposing the pipeline segment at the proposed installation location, (3) removing insulation and sandblasting the pipeline segment, (4) removing an approximately 10-foot segment of the pipeline, (5) installing the valve and pipeline connections, including a concrete foundation for the valve, welding the seams together, sandblasting the welded area, applying an epoxy coating, pipe tape, and rockguard wrap, (6) installing battery and related infrastructure approximately 10 feet from the valve and connecting such infrastructure via below grade conduit, (7) installing a vertical corrugated metal chamber with a 10-foot diameter around the valve below grade and installing a vertical corrugated metal chamber with an eight-foot diameter around the battery infrastructure, (8) installing access lids one foot below grade to allow for ongoing access to the valve and battery infrastructure, (9) backfilling the exterior of the corrugated metal chamber(s), (10) installation of rock around the corrugated metal access lid to allow for water runoff, (11) conducting final site cleanup, including revegetation activities.

For the one CHK valve:

(1) excavating the site, including the dirt beneath the targeted pipeline segment, (2) exposing the pipeline segment at the proposed installation location, (3) removing insulation and sandblasting the pipeline segment, (4) removing an approximately 10-foot

¹⁷⁵ Document No. 47, Letter from Errin Briggs to J. Caldwell Flores (September 4, 2024).

segment of the pipeline, (5) installing the valve and pipeline connections, including a rock foundation for the valve, welding the seams together, sandblasting the welded area, applying an epoxy coating, pipe tape, and rockguard wrap, (6) installing a vertical corrugated metal chamber with a 10-foot diameter around the valve below grade, (7) installing an access lid one foot below grade to allow for ongoing access to the valve, (8) backfilling the exterior of the corrugated metal chamber, (9) installation of rock around the corrugated metal access lid to allow for water runoff (10) conducting final site cleanup, including revegetation activities.

Unlike the valves proposed in OSFM's initially approved AB 864 compliance plan, Sable's installed MOVs involve no above-ground equipment, representing a reduced visual impact. Sable also implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resources analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved.

Sable undertook this work based on the County's Safety Valve Confirmation Letter, which confirmed that no further County authorization was required to complete this safety valve installation work. The County has delegated local permitting authority under the Coastal Act and therefore the County's prior authorization was understood by Sable to extend to Coastal Act permitting as well. However, Sable recognizes that there is some ambiguity about whether the Safety Valve Confirmation Letter included the County's authorization under its delegated LCP authority. Accordingly, Sable is preparing to submit additional materials regarding this work to the County for its confirmation as that such work complies with the Pipeline Project's existing FDP, Onshore CDPs, and Onshore EIR/EIS. Sable is submitting these materials for the County's consideration in light of the 2024 NOV, October 4 Letter, and subsequent discussions with Coastal Commission staff. Sable reserves the right to supplement this Statement of Defense, including this Attachment A and Attachment D, with those materials. It therefore would be premature for the Commission to commence enforcement proceedings against Sable for such valve installation work until the County has an opportunity to consider Sable's submissions regarding the work.

6. The Safety Valve Installation Work Does Not Trigger Sections 30809 or 30810

Commission staff erroneously cite Coastal Act sections 30809 and 30810 for the authority to issue the EDCDO/NOI as to the safety valve installation work. Sections 30809 and 30810 do not, however, vest Commission staff or the full Coastal Commission with a unilateral

¹⁷⁶ Sable requested a two-day extension from Commission staff to submit this Statement of Defense, which would have allowed Sable to submit the valve installation materials to the County and provide those materials with the initial submission of the Statement of Defense. Commission staff rejected that request.

right to usurp the County's delegated local permitting authority under the Coastal Act to assess whether such work complies with the existing Onshore CDPs.

As discussed above, Sections 30809 and 30810 first authorize a Cease and Desist Order to be issued if the Executive Director or the Coastal Commission determines that an activity has been (or is threatened to be) undertaken that may require "a permit *from the commission* without securing a permit." Second, a cease and desist order may be issued upon a determination that an activity that has been (or is threatened to be) undertaken that may be "inconsistent with any permit *previously issued by the commission*." Neither of these scenarios exist here. To the contrary, the Onshore Pipelines' existing Onshore CDPs were issued by the County – *not the Commission*. Sable is preparing to submit materials related to the safety valve installation work to the County for its confirmation that no new or amended coastal development permit *from the County* will be required, consistent with the County's Safety Valve Confirmation Letter. The EDCDO/NOI does not allege, and the safety valve installation work does not require, any new or amended coastal development permit "from the Commission" and is not subject to a coastal development permit "previously issued by the Commission." 180

Recognizing that neither of the above-mentioned triggers exist here, Commission staff cite a different subsection of Sections 30809 and 30810, which allow cease and desist orders "to enforce any requirements of a certified local coastal program ... or any requirements of [the Coastal Act]" when the "commission requests and the local government ... declines to act, or does not take action in a timely manner, regarding an alleged violation which could cause significant damage to coastal resources."181 Contrary to the EDCDO/NOI's assertion that "Santa Barbara County has declined to act in a timely manner" regarding the EDCDO/NOI's alleged Coastal Act violations, however, the County issued the Safety Valve Confirmation Letter confirming that no further authorization from the County was required for such work. Sable is preparing to submit materials related to the safety valve installation work to the County for its confirmation that no new or amended coastal development permit is required. The County's Safety Valve Confirmation Letter and any future County confirmation that the safety valve installation work is authorized by the Onshore CDPs does not mean that the County has "declined to act" with respect to such work such that a cease and desist order may be issued under Sections 30809 or 30810. Moreover, ecological and archaeological analyses have confirmed that impacts to biological, coastal, and archaeological resources resulting from the safety valve installation work remained within the scope of impacts previously analyzed and approved, demonstrating that such work could not "cause significant damage to coastal resources" as required for a cease and desist order. As such, no cease and desist order may be issued.

¹⁷⁷ Pub. Res. Code, §§ 30809(a), 30810(a) (emphasis added).

¹⁷⁸ *Ibid*.

¹⁷⁹ See Document Nos. 6 and 7, County Coastal Development Permit 86-CDP-189 (Jul. 27, 1986) and County Coastal Development Permit 86 CDP-205 (Aug. 5, 1986).

¹⁸⁰ Pub. Res. Code, § 30809(a).

¹⁸¹ Pub. Res. Code, §§ 30809(a), 30810(a).

7. No Restoration Order or Penalties May Be Issued

Commission staff also assert that the Commission may issue a restoration order with respect to Sable's safety valve installation work. To the contrary, the Coastal Act does not allow for a restoration order to be issued regarding this work.

Section 30811 of the Coastal Act allows the Commission to issue a restoration order "if it finds that the development has occurred without a coastal development permit from the commission [or] local government, the development is inconsistent with [the Coastal Act], and the development is causing continuing resource damage." None of those conditions exist here. As described above, the County's Safety Valve Confirmation Letter confirmed that the safety valve installation work required no further authorization from the County, which possesses delegated local permitting authority under the Coastal Act. 183 As such, the safety valve installation work did not "occur[] without a coastal development permit" and was not otherwise "inconsistent" with the Coastal Act. 184 Sable is preparing to submit additional materials regarding the safety valve installation work to the County for its confirmation that no new or amended coastal development permit is required, consistent with the Safety Valve Confirmation Letter. Further, Sable's safety valve installation work is not "causing continuing resource damage." ¹⁸⁵ The County's prior analysis determined that the safety valve installation work would not result in any new or substantially more severe significant impacts to biological resources. 186 Sable also implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resources analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved. 187 In sum, because none of statutorily required conditions exist for the issuance of a restoration order, no restoration order may be issued.

Commission staff also assert that Coastal Act sections 30820, 30821.3, 30821.6, and 30822 authorize penalties to be levied against Sable related to the safety valve installation work. None of those sections apply here and thus no penalties may be levied.

Section 30820 authorize civil penalties to be imposed by the superior court when a person "undertakes development that is in violation [of the Coastal Act] or that is inconsistent with any coastal development permit previously issued by the commission [or] a local government," and

¹⁸² Pub. Res. Code, § 30811. Even if Sable's safety valve installation work were not authorized by the Onshore EIR/EIS, Onshore CDPs, and Pipeline Project's related approvals, such work is not inconsistent with the Coastal Act and could receive a coastal development permit from the County.

¹⁸³ Document No. 47, Letter from Errin Briggs to J. Caldwell Flores (September 4, 2024).

¹⁸⁴ Pub. Res. Code, § 30811; Document No. 47, Letter from Errin Briggs to J. Caldwell Flores (September 4, 2024).¹⁸⁵ Pub. Res. Code, § 30811.

¹⁸⁶ Document No. 41, County Planning Commission Staff Report, Gaviota Coast Conservancy & GreyFox, LLC Appeal of Plains Valve Upgrade Project, Attachment C-1, p. C-6.

¹⁸⁷ Sable reserves the right to supplement this Statement of Defense with these analyses as part of the materials that it will submit the County. Sable requested a two-day extension to submit this Statement of Defense from Commission staff, which would have allowed Sable to finalize these materials, but that request was denied.

¹⁸⁸ See Document No. 90, EDCDO/NOI, p. 13 (citing Pub. Res. Code, §§ 30821.3, 30820, 30821.6, 30822).

section 30822 authorizes actions for exemplary damages when a person has "intentionally and knowingly violated any provision of [the Coastal Act]."189 Similarly, section 30821.3 authorizes the Commission to levy administrative penalties against a person "who is in violation of any provision of [the Coastal Act.]" Here, the County's Safety Valve Confirmation Letter confirmed that no further authorization from the County – which possesses delegated local permitting authority under the Coastal Act – was required for the safety valve installation work. 191 Sable undertook the safety valve installation work in light of this authorization, and therefore the work did not constitute a violation of the Coastal Act, any previously issued coastal development permit, or any intentional and knowing violation. Sable is preparing to submit materials regarding the safety valve installation work to the County for its confirmation that no new or amended coastal development permit is required, consistent with the Safety Valve Confirmation Letter. Finally, section 30821.6 authorizes civil liability against persons who "intentionally or negligently violate any cease and desist order," with the "actual penalty" imposed [to] be reasonably proportionate to the damage suffered as a consequence of the violation."192 Here, for the reasons discussed above, neither Commission staff nor the full Commission possessed the authority to issue any cease and desist order with respect to the safety valve installation work. Sable completed the safety valve installation work after receiving the County's Safety Valve Confirmation Letter, which confirmed that no further authorization for such work was required from the County. No cease and desist order precluded Sable from completing that work. Moreover, Sable implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resources analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved. 193 Accordingly, contrary to the EDCDO/NOI's allegations, no penalties may be levied against Sable related to the safety valve installation work.

8. <u>Any Consolidated Permit or Dispute Resolution Process Would Be</u> <u>Procedurally Improper</u>

The EDCDO/NOI suggests that Commission staff would "work with [Sable] and the County on a consolidated permit to move forward in the most efficient and streamlined manner possible." This "offer" is an attempt by the Commission to assert jurisdiction over Sable's safety valve installation work where no such jurisdiction exists. As Commission staff is aware, a consolidated coastal development permit is only appropriate when a "project requires a coastal development permit from *both* a local government with a certified local coastal program and the commission." Here, the County already confirmed to Sable that no further authorization from

¹⁸⁹ Pub. Res. Code, § 30820.

¹⁹⁰ Pub. Res. Code, § 30821.3.

¹⁹¹ Document No. 47, Letter from Errin Briggs to J. Caldwell Flores (September 4, 2024).

¹⁹² Pub. Res. Code, § 30821.6.

¹⁹³ Sable reserves the right to supplement this Statement of Defense with these analyses as part of the materials that it will submit the County. Sable requested a two-day extension to submit this Statement of Defense from Commission staff, which would have allowed Sable to finalize these materials, but that request was denied.

¹⁹⁴ Document No. 90, EDCDO/NOI, p. 2.

¹⁹⁵ Pub. Res. Code, § 30601.3(a)(1) (emphasis added).

the County was required prior to undertaking the safety valve installation work. Sable undertook the safety valve installation work pursuant to this confirmation. Sable is preparing to submit additional materials to the County for its confirmation that this work does not require a new or amended coastal development permit, consistent with the County's Safety Valve Confirmation Letter. Finally, the EDCDO/NOI does not allege that the safety valve installation work is subject to the Commission's retained original permitting jurisdiction. Accordingly, any consolidated coastal development permit application for the safety valve installation work would be procedurally improper, and like the Anomaly Repair Work discussed above, Sable has not consented to submitting such an application.

Section 13569 of the Coastal Act Regulations provides for a dispute resolution process where Commission staff and a local agency disagree about "whether a proposed development is exempt or categorically excluded [from the Coastal Act's permitting requirements], or whether a decision on the proposal would be appealable to the Commission." As described above, the County's Safety Valve Confirmation Letter confirmed that no further authorization from the County was required to undertake the safety valve installation work. Sable is preparing to submit additional materials to the County regarding such work for its confirmation that no new or amended coastal development permit is required, consistent with the Safety Valve Confirmation Letter. Until the County reviews and responds to those materials, any dispute resolution process regarding the safety valve installation work would be procedurally premature.

9. Preemption

As discussed above, provisions of the County's CZO and County Code are preempted and inapplicable where they "conflict" with federal or state law. A "conflict" between local and general laws occurs where the local law "duplicates, contradicts or enters an area fully occupied by general law. Here, provisions of the County's CZO and County Code that conflict with Sable's obligations under applicable federal and state regulations, including those that regulate pipeline safety and repairs, are preempted.

In this case, AB 864 preempts any CZO or County Code regulation as to pipeline safety. Accordingly, the County has confirmed that it is preempted "in the field of pipeline safety regulation and safety oversight," and therefore "does not have permit authority or jurisdiction" of

¹⁹⁶ See Document No. 47, County, Letter from Errin Briggs to J. Caldwell Flores (September 4, 2024).

¹⁹⁷ See Document No. 84, County, Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096" (February 12, 2025).

¹⁹⁸ Coastal Act Regulation, § 13569.

¹⁹⁹ See, *e.g.*, *U.S. v. City of Pittsburg, Cal.* (9th Cir. 1981) 661 F.2d 783 (federal law preempts local land use regulation); Cal. Const. art. XI, § 7 ("A county or city may make and enforce within its limits all local, police, sanitary, and other ordinances and regulations *not in conflict with general laws.*") (emphasis added); *People ex re. Deukmejian v. County of Mendocino* (1984) 36 Cal.3d 476 (state law preempts local land use regulation).
²⁰⁰ *Viacom Outdoor, Inc. v. City of Arcata* (2006) 140 Cal.App.4th 230, 236.

the safety valves.²⁰¹ Given this confirmation by the County in the Safety Valve Confirmation Letter, further discussion of preemption is not necessary at this time.²⁰²

10. Conclusion

Despite the 2024 NOV and EDCDO/NOI's allegations to the contrary, the safety valve installation work does not constitute a violation of the Coastal Act. Sable undertook such work in compliance with state law, guidance from the County that no further County approvals were required, and all environmental impacts of such work fell within the scope of the Onshore Pipelines' prior environmental review, Conditions of Approval, FDP, and Onshore CDPs. Sable is preparing to submit materials regarding such work to the County for specific confirmation as to whether any new or coastal development permit is required. Any enforcement proceeding by the Coastal Commission prior to the County's response would be premature and inappropriately usurp the County's delegated local permitting authority under the Coastal Act.

IV. OFFSHORE PIPELINE ACTIVITIES

A. Short Summary

Between November 29 and December 1, 2024, Sable conducted routine span remediation maintenance on Sable's Offshore Pipelines in both state and federal waters ("Span Remediation Work"). The Span Remediation Work consisted of adding support with sand and cement bags under small segments of the Offshore Pipelines to reduce the distance of "free spans" along the pipelines. A "free span" or "span" occurs when a portion of a pipeline is not resting on the bottom of the seafloor due to sand being scoured from beneath the pipeline over time. This work is routine, low-impact, and consistent with maintenance work previously performed on the Offshore Pipelines during their operational lifetime.

On February 11, 2025, Commission staff issued the 2025 NOV to Sable for "deploying sand/cement bags on the seafloor and positioning them to provide support to Sable's out-of-service offshore oil and water pipelines." The EDCDO/NOI alleged that Sable's Span Remediation Work was not, and could not have been, preauthorized by Sable's existing Offshore CDP. The Commission's 2025 NOV and EDCDO/NOI further characterize Sable's Span Remediation Work as requiring a new CDP.

Contrary to the Commission staff's claims, the Span Remediation Work was fully contemplated and authorized within the existing DPP previously approved by the MMS and the

²⁰¹ Document No. 46, Conditional Settlement Agreement and Release (August 30, 2024); Document No. 47, Letter from Errin Briggs to J. Caldwell Flores (September 4, 2024).

²⁰² Sable does not waive any right to assert that any future approvals or permitting requirements may be preempted by federal and state law.

²⁰³ The discussion that follows is solely related to the work conducted in state waters given the focus of the EDCDO/NOI and NOV. The EDCDO/NOI and NOV excluded work done in federal waters and we have therefore not provided information related to the work conducted in federal waters but we reserve the right to do so should the Commission modify the EDCDO/NOI or NOV or take other action regarding federal waters work.

²⁰⁴ See Document No. 81, Coastal Commission, Notice of Violation V-9-25-0013 (February 11, 2025) ("2025 NOV").

Commission's approved Offshore CDP and Consistency Certification for the Offshore Pipelines, and does not require additional Commission approval. As discussed above, the SYU's DPP is a comprehensive document that outlines the proposed activities for the development and production of offshore oil and gas resources. MMS approved the SYU DPP in 1988 and it is that DPP that formed the basis for the Commission's issuance of the Offshore CDP and Consistency Certification. Indeed, the Commission approved the Offshore CDP and concurred in Exxon's federal Consistency Certification for the DPP on the same day pursuant to the same staff report and findings—demonstrating that in its approvals the Commission understood the entirety of what was contemplated both for construction and ongoing operation and maintenance of the Offshore Pipelines as set forth therein.

Tellingly, the federal Bureau of Safety and Environmental Enforcement ("BSEE") (the successor agency to MMS) considered the proposed Span Remediation Work in the fall of 2024, and in its letter approving that work in federal waters dated December 5, 2024, BSEE did not require any new approvals or amendments to the project's DPP for the work. Therefore, BSEE's determination indicates that the maintenance activities involved in the Span Remediation Work were authorized both within the DPP and in the original Consistency Certification concurred with by the Commission alongside the Offshore CDP for the Offshore Pipelines in state waters. ²⁰⁵

Commission staff describes the Span Remediation Work as requiring further Commission authorization under the Coastal Act, but as detailed below, Sable's activities were (1) contemplated and authorized by the existing DPP, Consistency Certification, and Offshore CDP; (2) approved by the SLC; (3) consistent with past maintenance practices where the Commission did not require a new CDP, and (4) conducted with no adverse environmental impacts. Furthermore, to the extent the Commission has exercised jurisdiction over similar work in the past (which it has never done with respect to Sable's Offshore Pipelines) the Commission has issued *de minimis* waivers, underscoring the minimal impact associated with this type of work. Contrary to the allegations in the 2025 NOV and EDCDO/NOI, the Span Remediation Work was previously authorized and aligns with established regulatory and environmental standards.

B. Span Remediation Work Contemplated by Original Approvals

The EDCDO/NOI states that the "span remediation work conducted was not, and could not have been, pre-authorized by the permit in which the Coastal Commission issued for the original installation of the SYU Pipeline." While Commission staff may have different permitwriting practices today than 35 years ago and might provide more explicit language in a coastal development permit issued today concerning ongoing maintenance activities that are authorized, it does not change the fact that, as described in greater detail below, span remediation maintenance activities already were authorized under the DPP, federal Consistency Certification

²⁰⁵ It is notable that Commission staff did not include the Span Remediation Work performed in federal waters in its 2025 NOV or EDCDO/NOI. This indicates staff's understanding that this work was in fact contemplated and authorized in the DPP, consistent with BSEE's December 5, 2024 letter authorizing the Span Remediation Work to proceed.

and Offshore CDP. Thus, the Span Remediation Work does not require additional permitting consistent with similar maintenance work previously conducted on the SYU Offshore Pipelines.

1. The DPP Formed the Basis for Consistency Certification and Offshore CDP

Exxon's DPP for the SYU was submitted to MMS in December 1982.²⁰⁶ In January 1983, Exxon submitted a request for consistency certification for expansion of production in the SYU. The Coastal Commission's 1990 Compendium of California Coastal Commission Decisions Under the Federal Consistency Provisions provides a succinct summary of the Commission's consideration of the DPP:

The 1983 proposal included two options, each of which included ... platforms, pipelines, and electrical cables in [Outer Continental Shelf] waters, and expansion of onshore gas processing facilities to accommodate the new platforms. The two options differed in methods of treatment, storage and transport of the crude produced from the SYU. Although both options ultimately relied on transport of treated crude by tanker to the Gulf Coast, Option "A" involved expanding the capacity of the existing [onshore treatment facility], while Option "B" involved construction of new onshore oil treatment and storage facilities and a new marine terminal about a mile offshore of El Capitan. In June of 1983 the [Commission] concurred with the consistency certification for the platforms and pipelines proposed of Option "B", but objected to Option "A" ... as the preferred means of oil storage and treatment prior to shipment (see CC-7-83).

On September 20, 1985, MMS approved Option B in the DPP, except it specifically noted that the DPP approval is not a final approval of the Offshore Pipelines.²⁰⁸

On September 29, 1987, Exxon's revised DPP, which provided additional details regarding the installation of three platforms in the SYU with associated subsea pipelines connecting to onshore facilities in Las Flores Canyon, was found complete by MMS. The Coastal Commission received the DPP revision from MMS on December 22, 1987. 209

On February 23, 1988, with its Consistency Certification (No. CC-64-87), the Coastal Commission concurred with Exxon's certification for the revised DPP nearshore and onshore portions of Option B alternative, having already concurred with the OCS portions of Option B with consistency certification No. CC-7-83. On the same day, the Commission also approved the

²⁰⁶ See Document No. 4, September 20, 1985 DPP Approval.

²⁰⁷ See Document No. 16, Compendium of California Coastal Commission Decisions Under the Federal Consistency Provisions (March 30, 1990), pp. 265-266.

²⁰⁸ See Document No. 4, September 20, 1985 DPP Approval.

²⁰⁹ See Document No. 13, April 4, 1988 DPP Approval.

Offshore CDP (Coastal Development Permit No. E-88-1) for the nearshore portions of Option B, including the Offshore Pipelines.²¹⁰

On April 4, 1988 MMS approved the revisions to the DPP.²¹¹ While the DPP has been revised since 1988, as it relates to the Offshore Pipelines, the 1988 DPP is the controlling approval for the Offshore Pipelines' installation, as well as for their ongoing maintenance and operation.²¹² The 1988 DPP is the version of the DPP in existence when the Commission provided its Consistency Certification concurrence and approval of the Offshore CDP for the Offshore Pipelines.

The Commission's findings are clear that the activities contemplated by the DPP were the basis for both the Consistency Certification and the Offshore CDP. Significantly, the staff report's "Project Title" was "Exxon Santa Ynez Unit *Development and Production Plan* nearshore and onshore portions of Option B alternative," demonstrating that the DPP was the fundamental aspect of what was being reviewed by the Commission as part of the Consistency Certification and the Offshore CDP. The Commission also utilized a single staff report and findings document for both the DPP's Consistency Certification concurrence and the Offshore CDP.²¹³ Thus, the 1988 DPP is the document that describes the universe of activities that were analyzed and approved with the Consistency Certification concurrence and Offshore CDP, including the Span Remediation Work at issue here.

2. The 1988 DPP Contemplated Span Remediation Work

As relevant here, the 1988 DPP includes a detailed discussion of the Offshore Pipelines that would be installed, maintained, and operated. It describes a new 20-inch emulsion line extending from Platform Harmony to the Las Flores Canyon oil treating facilities, in which all SYU oil production will be transported. It also describes an existing 12-inch pipeline originating at Platform Hondo which would continue to bring gas onshore to the POPCO Gas Plant. A second, new 14-inch gas line would transport gas to onshore facilities. Finally, a new 12-inch pipeline would be installed to carry produced water from the oil treating facilities to an offshore outfall discharge point located at Platform Holly.²¹⁴

The 1988 DPP addresses the design, construction, and ongoing operation and maintenance of the Offshore Pipelines. This included relevant geologic and geotechnical design considerations and applicable design codes. Regarding maintenance, the DPP expressly *requires* Sable to ensure the pipelines are maintained: "All emulsion and gas pipelines will be maintained

²¹⁰ See Document No. 12, March 17, 1988 Letter to Exxon from Coastal Commission, attaching Consistency Certification Concurrence and CDP.

²¹¹ See Document No. 13, April 4, 1988 DPP Approval.

²¹² The 1988 DPP is attached as Document No. 8.

²¹³ See Document No. 11, Staff Recommendation on Permit and Consistency Certification, "Staff Note" ("To minimize duplication and speed the project's review process, the staff has combined the coastal permit and consistency certification review into one staff report scheduled for one Commission hearing. A coastal permit is required for the … pipeline portion of the project in state waters …. A consistency certification is required for the same portion of the project.").

²¹⁴ 1988 DPP, at VIII-2.

in good operating condition at all times."²¹⁵ The DPP's June 1984 Environmental Impact Statement/Environmental Impact Report ("Offshore EIS/EIR") also recognizes that "Exxon's [DPP] has been carefully evaluated to assess the effects due to construction *and operation* of the facilities."²¹⁶

Specific maintenance activities authorized by the 1988 DPP are summarized below.

a. Maintaining Static Loads and Spans Were Incorporated into DPP Design Requirements

The 1988 DPP explicitly accounted for static loads and spans in its design and construction criteria for the Offshore Pipelines. It emphasized that the pipelines would be constructed, operated and maintained long-term in a technically sound and environmentally acceptable manner. The routes were "carefully scrutinized for potential hazards to ensure that the pipelines may be safely installed and operated." The design criteria specifically considered both external environmental loads and internal loads that the pipelines might encounter throughout their operational life, including stresses during installation. The DPP expressly requires that stress levels from these conditions remain within acceptable limits. ²¹⁸

The DPP addressed external environmental loads arising from meteorological and oceanographic phenomena, as well as the geologic and geotechnical characteristics of the sea bottom along the Offshore Pipeline routes. ²¹⁹ These environmental forces included waves, currents, earthquake ground motions, and ambient pressure and temperature. The design parameters were set to account for significant wave height, period, and direction, bottom steady current velocity and direction, and earthquake wave velocities and periods. ²²⁰ These criteria were then tailored to the specific locations and directions of the pipelines, ensuring consistency with the platform designs. ²²¹ This comprehensive approach shows that the Offshore Pipelines' static loads and spans were integral considerations in the DPP's planning and design process.

The DPP also states that "[t]he pipelines will be designed to resist significant horizontal and vertical deflection under the action of bottom steady currents, wave induced oscillatory currents and earthquakes. Earthquake motion design criteria will be consistent with the values used in the platform designs. Stability will be accomplished via routing, increased submerged weight, trenching, anchoring, or combinations of these methods."²²²

²¹⁵ *Id.* at VIII-24

²¹⁶ See Document No. 1, Final Environmental Impact Statement/Report for Santa Ynez Unit/Las Flores Canyon DPP SCH No. 83030805 (June 1984), p. 6-47 (emphasis added).

²¹⁷ 1988 DPP, at VIII-11.

²¹⁸ *Id.* at VIII-11-13.

²¹⁹ *Id.* at VIII-6-9.

²²⁰ *Id.* at VIII-12.

²²¹ *Id.* at VIII-12.

²²² *Id.* at VIII-14.

b. The Offshore EIS/EIR Contemplates Ongoing Span Remediation

The Offshore EIS/EIR for the DPP states that the Offshore Pipelines will be designed to withstand up to a foot of local deformation of the seafloor. It also includes a mitigation measure to "[m]onitor seafloor disturbances after construction using side scan sonar or equivalent to assess need for remedial measures" to address the potential impact of "[d]isruption of seafloor sediments and formation of sea mounds due to construction of offshore platforms and pipelines."

The Offshore EIS/EIR includes a separate mitigation measure to "inspect subsea project components" following earthquakes prior to restart to determine reliability of components and "take remedial actions as appropriate."

Further, the Offshore EIS/EIR notes that "[t]he cumulative geologic impacts are minimized using conventional geotechnical design and construction methods, including ongoing maintenance of slope stabilization operations."

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While no specific earthquake triggered a pause in operations, the inspections that Sable has conducted to identify areas of the Offshore Pipelines that required remedial actions are consistent with the remedial actions and associated impacts previously considered in the Offshore EIS/EIR. Sable's maintenance activities here to add additional supports due to changes in the geologic environment over time are consistent with the "ongoing maintenance of slope stabilization" that was clearly contemplated and analyzed in the Offshore EIS/EIR that was considered by the Commission in connection with its Consistency Certification and Offshore CDP for the SYU pipelines.

c. The DPP Incorporates Accepted Maintenance Practices in American Petroleum Institute Publication API RP 1111

The 1988 DPP states that "[t]he oil and gas pipelines will be designed, constructed, tested, operated and inspected in compliance with the following standard specifications, as applicable: ... Recommended Practice for Design, Construction, Operation and Maintenance of Offshore Hydrocarbon Pipelines, American Petroleum Institute Publication API RP 1111."²²⁶ In other words, Sable must operate and inspect the SYU oil and gas pipelines in compliance with API Recommended Practice 1111. The current Fifth Edition of API 1111 was adopted in September 2015 and reaffirmed in January 2021.²²⁷

Section 4.1.4 discusses how the design of offshore pipelines should consider static loads:

These include the weight of the pipe, coating, appurtenances, and attachments; external and internal hydrostatic pressure and thermal expansion loads; and the static forces due to bottom subsidence and differential settlement.

²²³ Offshore EIS/EIR, Table 6.3.6-1.

²²⁴ Offshore EIS/EIR, Table 6.3.3-1, emphasis added.

²²⁵ *Id.*, at p. 6-52, emphasis added.

²²⁶ 1988 DPP, VIII-10.

²²⁷ See Document No. 37, API RP 1111, Design, Construction, Operation, and Maintenance of Offshore Hydrocarbon Pipelines (Limit State Design) (January 2021).

The weight-related forces are of special concern where the pipeline is not continuously supported, that is, where spans are expected to occur. Spans are also of concern where seismic liquefaction of the supporting bottom could occur, and where mudslides could occur, such as some areas around the Mississippi River delta.

The weight of the submerged pipeline can be controlled through the combination of the pipe wall thickness and the density and thickness of the external (concrete) weight coating. Weight calculations should consider stability when empty (the usual aslaid condition), full of the fluid to be transported, and flooded with seawater.

Consideration should be given to preventing unacceptably long unsupported lengths by use of dumped gravel, anchor supports, concrete mattresses, sand bagging, or other suitable means.²²⁸

Thus, Sable's maintenance activities that involved installing 3:1 sand-to-cement burlap bags under and around the Offshore Pipelines to remediate spans that exceed applicable criteria are consistent with the practices described in API 1111 and therefore its approved DPP.

d. Contemporary MMS Manuals Support Span Remediation Work

The 1992 MMS-sponsored Deepwater Pipeline Maintenance and Repair Manual²²⁹ also provides insights into the industry-standard practices around the time of the DPP's approval for maintaining and repairing offshore pipelines, particularly concerning span remediation. The manual notes that span remediation is a routine maintenance procedure. It also describes the correction of pipeline spans as a "minor intervention," typically involving methods such as stone dumping, grout bag placement, or mattresses, which align with Sable's use of 3:1 sand-to-cement burlap bags. The following examples from the Manual establish that span remediation work using 3:1 sand-to-cement burlap bags (also known as grout bags) is an accepted technique consistent with what would be expected to occur over the course of a pipeline's operational life:

- "Most of the minor repair techniques are well established and have a long history of use with diver, ROV and surface support intervention. There is extensive experience with the use of ROVs alone for span connection and seafloor preparation."
- "For example, the correction of pipeline spans is a minor intervention since the operating status of the pipeline should not be affected."

²²⁸ API 1111, at p. 9.

²²⁹ See Document No. 18, Deepwater Pipeline Maintenance and Repair Manual Prepare for U.S. Department of the

- "In the case of spans formed after installation, rectification is generally limited to correction by stone dumping, grout bag placement or mattresses."
- "Depending on the height of the spanning pipeline above the seafloor, and on the slope of the seafloor itself, correction can be undertaken utilizing various configurations and variations of grout filled bags. The bags are usually made of a woven fabric material. Individual cells are interconnected and grouted from inlets on various points on the bags. Grout bags have the advantage that they are easily handled and, when full, conform to the shape of the underside of the pipeline providing a stable support."
 - 3. The DPP Served as Project Description for the Offshore CDP and Consistency Certification

As discussed above, the Commission provided its concurrence in the SYU DPP Consistency Certification on the same day and as part of the same combined staff report that it approved the SYU Offshore CDP, underscoring the Commission's integrated consideration of the DPP and the Commission's Offshore CDP:

On February 23, 1988, by a vote of 8 in favor, 2 opposed, and 1 abstention, the California Coastal Commission concurred with your consistency certification for the Exxon Santa Ynez Unit Development and Production Plan nearshore and onshore portions of Option B alternative. On the same day, the Commission also approved a coastal development permit for the nearshore portions of Option B alternative with conditions. As you know these conditions were amended into the project description of the Development and Production Plan by you prior to Commission concurrence.²³⁰

Thus, the DPP, including the contemplated Span Remediation Work, is the project description that the Coastal Commission utilized when considering and approving the Offshore CDP. Indeed, as noted above, the "Project Title" of the project that the Coastal Commission considered and approved was "Exxon Santa Ynez Unit Development and Production Plan nearshore and onshore portions of Option B Alternative." The Coastal Commission's staff report also was explicit that other agencies' conditions pursuant to their approvals of the Offshore Pipelines were *included as part of the project* that the Coastal Commission considered and approved. These conditions include the SLC's approved conditions for the SYU leases in state waters, which mandated "[a]nnual side-scan surveys of pipelines to check for bridging or

²³⁰ Document No. 12, Letter from Susan M. Hansch, Manager Energy and Ocean Resources Unit of CCC to Exxon Company U.S.A. (March 17, 1988).

²³¹ See Document No. 13, Staff Recommendation on Permit and Consistency Certification.

²³² See Document No. 13, Staff Recommendation on Permit and Consistency Certification, p. 23 ("[T]he project as described includes the conditions imposed in the Santa Barbara County and APCD, and the State Lands Commission approvals.").

other hazards to the pipeline."²³³ Safety measures included in the SLC leases, such as this, were noted as a factor in the Coastal Commission's determination that the risks and impacts associated with the SYU and Offshore Pipelines had been mitigated to the maximum extent feasible.²³⁴

The Commission also relied upon and incorporated analysis from the Offshore EIS/EIR, when it issued its federal Consistency Certification and Offshore CDP approval.²³⁵ As discussed above, the Offshore EIS/EIR shows that the Commission understood that activities like the Span Remediation Work would occur by noting that "[t]he cumulative geologic impacts are minimized using conventional geotechnical design and construction methods, *including ongoing maintenance of slope stabilization operations*."²³⁶

The Commission's Offshore CDP and Consistency Certification findings recognized that the SYU and Offshore Pipeline involved complex geotechnical and environmental considerations, particularly concerning the installation and maintenance of the Offshore Pipelines. The Commission's findings highlighted the importance of addressing potential geologic constraints through "proper mitigation," which included "avoidance or ... engineering design."²³⁷ This is an explicit contemplation of engineering solutions, such as the deployment of 3:1 sand-to-cement burlap bags to create support piers, as viable methods to address issues like pipeline spans caused by changes to geologic conditions. The Offshore CDP and Consistency Certification findings added that "[a]ll potential geologic constraints for the project (both onshore and offshore) have been identified and mitigated by avoidance or engineering design.... Soil movement forces have been minimized on the project by placing the pipelines directly on the seafloor."238 This finding is consistent with the analysis in the Offshore EIS/EIR and aligns with the maintenance activities in API Recommended Practice 1111. Thus, the existing DPP that was considered by the Commission in its Consistency Certification and Offshore CDP clearly supports the use of 3:1 sand-to-cement burlap bags to stabilize soil movements, thereby providing continued support to the pipelines during operations.

The Commission also recognized the need for flexibility in pipeline construction methods, acknowledging that "[p]ipeline construction methods are presently undefined" and allowing Exxon the latitude to "propose their own design solutions." This flexibility permits the adaptation of construction techniques, such as the deployment of the 3:1 sand-to-cement burlap bags, which align with the original analysis and objectives of the Offshore CDP and Consistency Certification. The Commission also expected that "[d]redge materials will be piled up on one or both sides of the trench, and backfilling will be done where necessary to anchor the lines, and where natural backfill due to local sediment movement is not expected. Exxon expects

²³³ See Document No. 16, Compendium of California Coastal Commission Decisions Under the Federal Consistency Provisions (March 30, 1990), pp. 254-255.

²³⁴ Document No. 13, CCC Staff Recommendation on Permit and Consistency Certification, p. 72.

²³⁵ See e.g., Document No 13, CCC Staff Recommendation on Permit and Consistency Certification, pp. 25, 34, 37, 73, 88, 99, 100, 105, 107, 108, 118.

²³⁶ Offshore EIS/EIR, p. 6-52, emphasis added.

²³⁷ Document No. 13, CCC Staff Recommendation on Permit and Consistency Certification, p. 78.

²³⁸ *Id.*, at p. 4.

²³⁹ *Id.*, at p. 44.

that armor rock will be needed to secure the lines, but does not know the amount or size."²⁴⁰ This description of work demonstrates that similar techniques to Sable's Span Remediation Work were specifically contemplated, and thus the impacts of such methods were adequately considered within the scope of the Commission's Offshore CDP and Consistency Certification approval.

In addition, the Offshore CDP included Condition No. 9 that required a Marine Construction Mitigation Plan.²⁴¹ That Marine Construction Mitigation Plan specifically contemplated the management of pipeline spans and the modification of the seafloor to address geologic constraints. As set forth in section III of that plan, Exxon stated it would not trench the seafloor beyond twenty-five foot depths and would "modify only those bedrock ridges beyond that point that may result in unacceptable pipe spans."²⁴² The plan went on to state that post-construction inspection surveys would be completed to "identify unacceptable free spans."²⁴³ Thus, the Commission specifically approved future Span Remediation Work to (1) inspect the pipelines for unacceptable free spans, and (2) "modify" the seafloor to remediate any identified unacceptable spans as part of the Offshore CDP.

In summary, the Commission's Offshore CDP and Consistency Certification findings and the Offshore CDP conditions acknowledged that addressing hazardous geologic conditions through design and construction techniques, such as the Span Remediation Work performed by Sable, was part of the Commission's analysis and approval of the Offshore CDP and Consistency Certification.

4. The NOV and EDCDO/NOI's Lack of Reference to Federal Waters is Noteworthy

The absence of any reference to the Span Remediation Work conducted in federal waters in the Commission's NOV and EDCDO/NOI is noteworthy, since the work performed in both state and federal waters is the same. This omission suggests that Commission staff understands that the work was contemplated and authorized under the original DPP. If the Span Remediation Work had not been anticipated within the DPP, it would have triggered federal regulatory requirements for amendments or additional approvals, which BSEE did not require. The fact that the Commission's enforcement actions focus solely on state waters further underscores that the Span Remediation Work was consistent with and authorized by the existing DPP and therefore considered by the Coastal Commission as part of the project description in the Commission's approval of the Consistency Certification and Offshore CDP.

²⁴⁰ *Id.*, at p. 45.

²⁴¹ Document No. 12, Offshore CDP, Condition 9.

²⁴² Document No. 15, Final Comprehensive Plan for Marine Biological Impact Reduction and Mitigation in Nearshore Waters of Las Flores Canyon, p. 19.

C. State Lands Commission Lease Requirement for Ongoing Surveys and Span Remediation

While the Span Remediation Work was contemplated by and approved as part of the DPP, Consistency Certification, and Offshore CDP, determining when to conduct these maintenance activities is determined based on surveys required pursuant to Sable's SYU leases with the SLC. As part of the Offshore Pipelines associated with the SYU, Sable operates a 12-inch-diameter water pipeline, a 20-inch-diameter oil emulsion pipeline, and a 12-inch-diameter gas pipeline in state waters that are authorized pursuant to SLC leases. These leases have been in effect since the late 1980s. The leases require that the Offshore Pipelines are kept "in good order and repair and safe condition." The leases also require that should inspections on the pipeline "show bridging... then further detailed inspections shall be made and corrective action taken, if necessary." As noted above, these leases were in front of the Coastal Commission when it issued its Consistency Certification and Offshore CDP, and the conditions contained within these leases were expressly incorporated into the project that the Coastal Commission reviewed and approved. The coastal Commission reviewed and approved.

Further, recent lease amendments have provided more specificity regarding the scope of inspection activities that are required to ensure that potential offshore hazards to the Offshore Pipelines are identified:

"Lessee shall adhere to and complete a comprehensive series of standard inspection protocols, as described below ... to assess the presence and risk of hazards including, but not limited to damage, corrosion and pipeline movement. Inspection methods shall encompass both internal and external evaluations, utilizing established industry practices such as Remotely Operated Vehicle (ROV)... assessments." ²⁴⁸

Accordingly, in July 2024, Sable conducted SLC-approved ROV surveys of the Offshore Pipelines as part of the SLC lease obligations. Specifically, the ROV surveys involved a visual pipeline survey including inspection for scour and pipeline spans, a continuous pipeline-to-electrolyte cathodic potential survey, and documentation of anomalies such as damage or debris. The survey equipment, including the Falcon ROV system was loaded aboard M/V Danny C vessel on July 11, 2024 in Port Hueneme, CA. The survey in state waters was conducted between

²⁴⁴ See Document No. 9, Lease No. 7163.1 and Document No. 14, Lease No. 4977.1.

²⁴⁵ See Document No. 9, Lease No. 7163.1, Section 4, General Provision No. 4(b) (January 21, 1988).

²⁴⁶ See Document No. 9, Lease No. 7163.1, Section 2, Special Provisions No. 11(j) (January 21, 1988).

²⁴⁷ See Document No. 13, Staff Recommendation on Permit and Consistency Certification, p. 23 ("[T]he project as described includes the conditions imposed in the Santa Barbara County and APCD, and the State Lands Commission approvals.").

²⁴⁸ See Document No. 44, State Lands Commission Amendment of Leases Nos. PRC 7163, Section 19.b.i and PRC 4977, Section 21.b.i (December 2023).

July 11th-16th. The inspection results found that the "Santa Ynez Unit pipelines were generally found to be in good condition with no visible external damage."²⁴⁹

The inspection included a pipeline free span survey performed by the ROV equipped with a high-resolution color video camera and color sonar for span documentation. The Offshore Pipeline free spans were measured using conventional navigation methods and by sonar. Any unsupported pipe (i.e., visible water underneath the pipeline) was considered a span. Span lengths that were determined to be greater than 80 feet by using conventional navigation methods were re-measured. The ROV was moved back along the span on the opposite side of the pipeline to re-locate the beginning of the span. Once the beginning of the span was re-located, the distance was re-measured. Span heights were estimated visually and identified for the pipeline's maximum height off of the seabed of noted spans.

Twenty-one free spans were located on the 20-inch oil emulsion pipeline in state waters from Platform Harmony to shore, ranging from 10 feet to 66 feet. Seventeen free spans were located on the 12-inch treated water pipeline in state waters from shore to Platform Harmony ranging from 15 feet to 70 feet. No significant free spans were identified on the 12-inch gas pipeline in state waters.

In addition to the requirement to perform an ROV survey, SLC lease obligations include a requirement to perform a seismic vulnerability assessment of the pipelines though state waters. Sable contracted Spire Engineering Services to perform the assessment for each of the lines and provide a set of maximum allowable span criteria to be used to assess which of the identified pipeline spans needed remediation. The maximum allowable pipeline span lengths from the vulnerability assessment for the 20-inch Oil Emulsion Pipeline and 12-inch Treated Water Pipeline in state waters are summarized in the table below.

²⁴⁹ See Document No. 45, Sable Offshore Santa Ynez Unit (SYU) to Shore External Subsea Pipeline Inspection Report State Waters to Shore (July 2024), p. 6.

²⁵⁰ Document No. 44, Section 21.b.iv ("Lessee shall complete a Pipeline Seismic Vulnerability Assessment ... using a third-party California Licensed Professional Engineer.").

²⁵¹ See Document No. 55, Spire Engineering, "SYU Expansion Pipelines Seismic Vulnerability Review" and "POPCO Pipeline Seismic Vulnerability Assessment" (October 2024).

²⁵² The maximum allowable span length for the 12-inch gas pipeline was determined to be 54 feet. Because the identified spans on the 12-inch gas pipeline in state waters were shorter than 54 feet, no span remediation activities in state waters were necessary on that pipeline.

Maximum Allowable Pipeline Span Lengths: State Waters

Pipeline Designation	Wall Thickness (in)	Concrete Coat Thickness (in)	Water Depth Range (ft)	Allowable Span		Minimum Curve
				Straight (ft)	Curved (ft)	Radius (ft)
20" Oil Emulsion Line	0.50	1.75	0-25	70.5	69.5	9000
	0.50	2.50	25-50	68.5	63.5	9000
	0.50	1.75	50-120	70.5	69.5	9000
	0.50	1.50	120-~320	55.0	50.0	9000
12" Treated Water Line	0.50	1.50	0-50	47.0	47.0	9000
	0.50	1.00	50-150	46.5	46.0	9000
	0.50	0.00	150-~320	47.5	47.0	9000

The allowable pipeline span lengths from the vulnerability assessment were compared to the identified spans from the ROV surveys. The table below documents the spans that required remediation. These spans include those beyond the allowable length as well as those close to the allowable length which, over time, could develop into spans requiring remediation.

Span Remediation: State Waters

SPAN ID	PIPELINE	SPAN LENGTH	APPROXIMATE WATER DEPTH
		(Feet)	(Feet)
1	20" EMULSION	48'	253'
2	20" EMULSION	41'	253'
3	20" EMULSION	44'	276'
4	20" EMULSION	50'	277'
5	20" EMULSION	48'	279'
6	20" EMULSION	66'	279'
7	20" EMULSION	61'	276'
8	20" EMULSION	53'	281'
9	12" WATER	66'	265'
10	12" WATER	53'	265'
11	12" WATER	42'	275'
12	12" WATER	70'	275'
13	12" WATER	58'	278'
14	12" WATER	56'	277'

1. The Span Remediation Work Was Approved by SLC

After identifying the spans that require remediation pursuant to Sable's SLC leases, on November 19, Sable sought approval from SLC to undertake the Span Remediation Work. As Sable explained to SLC, "[t]he process to complete this project is the same as has been completed in past SYU pipeline span remediation programs. The steps to complete this work are as follows:

- The SBCo APCD approved project vessel MV Loren-C with an Aqueos ROV will be mobilized to the work site with sand/cement bags.
- The ROV will conduct a pre-installation survey to verify the location.
- The sand/cement bags will be deployed to the seafloor near the span remediation site.
- The ROV will place the sand/cement bags under and against the span at the remediation site. This will be completed for each side of the span remediation location.
- The ROV will verify that all sand/cement bags are in the proper position.
- This process will be repeated at all identified span remediation locations.
- A Notice to Fishermen has been filed the Joint Oil/Fisheries Liaison Office.
- A Notice to Mariners has been filed with the USCG."253

Sable also submitted the following documents to SLC for review:

- 1. ROV Pipeline Span Mitigation Execution Plan²⁵⁴
- 2. Map of the Span Locations²⁵⁵
- 3. Seismic Vulnerability Reviews for State Waters. 256

On November 26, 2024, the SLC responded, acknowledging receipt of Sable's request and requesting additional information, including:

²⁵³ See Document No. 60, Sable Letter to SLC re: Santa Ynez Unit Pipeline Span Remediation (November 19, 2024).

²⁵⁴ See Document No. 49, Execution Plan – Pipeline Span Mitigations (October 2024).

²⁵⁵ See Document No. 57, SYU in State Waters Span Investigation 2024 ROV Inspection Survey Post-Plot (November 2024).

²⁵⁶ See Document No. 55, Spire Engineering, SYU Expansion Pipelines Seismic Vulnerability Review (October 2024).

- Certification of seismic vulnerability assessments.
- Detailed calculations and definitions.
- A hazardous spill contingency plan.
- Confirmation of anchoring plans.
- A critical operations and curtailment plan.
- A construction schedule and Environmental, Health, and Safety Manual.²⁵⁷

Sable met with SLC on November 27, 2024 to discuss the requested information and sent in all of the requested documentation later that day. The same day, SLC then emailed approval to Sable to proceed with the work. SLC sent an official approval letter on December 4^{th} .

2. The Span Remediation Work Was Routine Maintenance Conducted With No Harm to Coastal Resources

Sable undertook the approved Span Remediation Work in state waters over a three-day period from November 29, 2024 to December 1, 2024, consistent with the API Recommended Practice 1111, as outlined in the existing DPP, discussed above.

The Span Remediation Work included conducting a pre-installation survey, deploying 3:1 sand-to-cement burlap bags, and positioning them to provide necessary support to the Offshore Pipelines. Utilizing the vessel Curtin Loren-C and an Aqueos ROV, the project deployed 3:1 sand-to-cement burlap bags via a specially designed "SlingBag" to create support piers along the identified spans.

a. The SlingBag and 3:1 Burlap Bags

The SlingBag²⁶¹ is specially designed for efficient and environmentally friendly pipeline stabilization, particularly suitable for offshore pipeline span remediation projects. Each SlingBag is constructed from a heavy-duty woven polypropylene fabric, equipped with four 24-inch polyester lifting loops, and contains fifty-six 60-lb burlap bags, totaling about one cubic

²⁵⁷ See Document No. 67, SLC Letter to Sable Offshore, Re: Sable Santa Ynez Unit – Emulsion, Gas and Water Pipelines Span Remediation Project (November 26, 2024).

²⁵⁸ See Document No. 68, Sable Letter to SLC, Re: Sable Santa Ynez Unit- Emulsion, Gas and Water Pipelines Span Remediation Project – Additional Information Request, With Attachments (November 27, 2024).

²⁵⁹ See Document No. 69, SLC Email to SLC, Re: SYU Pipeline – Span Remediation – Request for Information (November 27, 2024).

²⁶⁰ See Document No. 71, SLC Letter to Sable, Re: Re: Sable Santa Ynez Unit – Emulsion, Gas and Water Pipelines Span Remediation Project (December 4, 2024).

²⁶¹ See Document No. 33, Burlap SlingBag Brochure.

yard of volume. As shown on the manufacturer's website, Slingbags have been used extensively for pipeline support, stabilization, and protection projects.²⁶²



Figure 1. The SlingBag

High-strength, 4000 PSI (27.5 MPa) commercial-grade blend of graded sand and Portland cement are packaged in biodegradable 10 oz. burlap bags, which prevent the cement from escaping into the water. According to the manufacturer, the sand-cement blend is formulated to harden after initial placement, is harmless to wildlife and as the bags degrade, there is the appearance of a natural stone. This composition ensures that the bags bond together effectively, providing a stable and durable support structure once hardened. The biodegradable burlap material is also harmless to wildlife, with no chemical print on the bags. Definition of the bags.



Figure 2. 3:1 Sand-to-Cement Burlap Bags

²⁶² See Project Gallery, available at: https://slingbag.net/project.html.

²⁶³ See Document No. 32, SlingBag Product Description.

²⁶⁴ *Id*.

The SlingBag system is engineered for safe, efficient use, allowing for single-point pick-up and placement underwater. This system has been successfully utilized many times for the precise application used here.²⁶⁵ The deployment process is straightforward: an ROV can release and place the 3:1 sand-to-cement burlap bags by unhooking any two lifting loops in a row and lifting the SlingBag. This method facilitates up to five times faster placement than other techniques, creating a bonded support pyramid that stabilizes pipelines and provides easy access to valves and other protected structures. The SlingBag is then immediately brought back up to the vessel, leaving nothing behind in the water.

b. Span Remediation Report

As detailed in Aqueos' "Sable Offshore State Waters SYU Pipeline Span Remediation Report," attached as Document No. 80, the Curtin Loren-C was dynamically positioned and no anchors were deployed during the Span Remediation Work process. The process began with a pre-installation survey conducted by the ROV to verify and confirm the exact span locations. The vessel crew then removed the 3:1 burlap bags from pallets on the deck of the Curtin Loren-C and placed them into SlingBags. The vessel crew then deployed the SlingBag, guided by the ROV to precise locations adjacent to the pipeline. Once lowered, one end of the SlingBag was released, depositing the 3:1 sand-to-cement burlap bags in close proximity to where they needed to be placed. The SlingBag was then immediately brought back to the deck of the Curtin Loren-C.



Figure 3. SlingBag Releasing 3:1 Burlap Bags

The ROV then strategically placed the 3:1 sand-to-cement burlap bags to provide maximum support, ensuring the stability and integrity of the pipeline requiring span remediation.

²⁶⁵ See Project Gallery, available at: https://slingbag.net/project.html.



Figure 4. ROV Positioning 3:1 Burlap Bags

This operation was repeated across all predetermined support locations for the Offshore Pipelines, with additional SlingBags available for any extra spans identified during the ROV inspection (though no extra spans were identified).



Figure 5. Example of Completed Span Remediation

SlingBags were deployed along the 14 identified locations to place the 3:1 burlap bags. Fifty-six 3:1 sand-to-cement burlap bags were placed within each SlingBag. For most locations, one SlingBag was used on each side of the pipeline to locate the 3:1 sand-to-cement burlap bags in the middle of the identified span. All Span Remediation Work was documented and can be found in Document No. 80. In the EDCDO/NOI and 2025 NOV, Commission staff mischaracterize the Span Remediation Work stating that: "concrete fill material [was placed] across 14 separate areas totaling over 750 linear feet." This is incorrect. The supports were installed across approximately 150 linear feet of the pipeline. Commission staff further

mischaracterize the Span Remediation Work by stating that "pallets" were placed along the pipeline. This is incorrect. As described above, the pallets remained on board the Curtin Loren-C at all times. The only materials that remained in the water following the Span Remediation Work were the 3:1 sand-to-cement burlap bags that made up the pipeline supports. ²⁶⁶

On January 30, 2025, Sable sent SLC a Pipeline Span Remediation Report, providing a post construction report, a copy of daily job logs compiled during the daily activities, a post construction seafloor survey of the project area to provide a graphic record of the work accomplished and to confirm sea floor cleanup and site restoration, confirmation that no dropped objects or debris were created during this project, with all materials being recovered and no debris or spills from the vessel were lost to the water.²⁶⁷

c. No Harm to Coastal Resources

During the Span Remediation Work, no coastal resources were harmed, as the contractors prioritized environmental protection and utilized best management practices. Biodegradable burlap bags filled with a sand-cement blend were used to create stable support structures for the pipelines. All SlingBags were successfully recovered, and no debris or spills occurred from the vessel. The use of a dynamically positioned vessel eliminated the need for anchors, reducing environmental disturbance. Notifications were sent to the U.S. Coast Guard and the Joint Oil/Fisheries Liaison Office to facilitate coordination and address any potential conflicts with the fishing community. The 3:1 sand-to-cement bags were strategically placed in a mounded support structure, providing pipeline support without leaving any slings, ropes, or loops subsea, thus preventing potential entanglement of marine mammals. Deck personnel monitored for marine mammals during SlingBag deployment and recovery. All SlingBags and plastic packaging were contained on the deck and disposed of onshore at the completion of the Span Remediation Work. The 3:1 sand-to-cement bags were deployed within the existing pipeline right-of-way, adjacent to either side of the pipeline from a low height, ensuring precise placement and minimal impact.

d. Span Remediation Work Adheres to Past Maintenance Practice on SYU Pipelines

Exxon's previous pipeline span remediation activities serve as a clear precedent for the approval of similar maintenance work under existing regulatory frameworks, without the need for additional CDPs or consistency certifications.

For example, in 2012, SLC and BSEE issued approvals to Exxon to conduct span remediation maintenance on the Santa Ynez Unit pipelines. This work involved installing the same type of sand-concrete bags using the same methodology employed by Sable in its recent

²⁶⁶ Commission staff further state that "soft-concrete" bags were also used in addition to the 3:1 sand-to-cement burlap bags. This is not accurate. Only 3:1 sand-to-cement burlap bags were used. Once in the water, the sand-cement bags harden into concrete.

²⁶⁷ See Document No. 80, Santa Ynez Unit Pipeline Span Remediation Report, with Attachments (January 30, 2025).

Span Remediation Work.²⁶⁸ The scope of Exxon's approved work included the use of a dynamically positioned vessel to conduct an ROV survey of potential span areas and installing cement bag supports on and under the pipelines. This approach was designed to reduce free span lengths, ensuring the continued safe operation of the pipelines. The work was characterized as "minor maintenance and repairs."²⁶⁹

As shown in correspondence regarding this 2012 work, Coastal Commission staff was copied on and aware of Exxon's proposed maintenance activities and did not object to BSEE and SLC's approvals or require any new CDP, Coastal Act authorization, or consistency certification.²⁷⁰ While Commission staff claim in the EDCDO/NOI that this notification is insufficient to provide Coastal Act authorization for the work, the fact remains that the work already was authorized by the Off-Shore CDP and Consistency Certification.²⁷¹ Sable's Span Remediation Work is fully consistent with Exxon's maintenance activities from 2012, and similarly does not require a new CDP or consistency certification. Commission staff cannot now require Sable to obtain new permits for span remediation activities, when similar work by Exxon did not necessitate the additional permits that staff is requesting.

3. <u>Limited Precedent Demonstrates De Minimis Impacts</u>

Sable has located only two instances where an applicant sought Commission authorization for similar work as the Span Remediation Work. While the facts may be different as to why the applicants sought Commission approval (e.g., the history of the relevant CDPs did not contemplate this sort of activity), what is similar is that the actual work completed had *de minimis* impacts on the environment. In both cases, the Commission issued a *de minimis* waiver, recognizing the minimal environmental impact of the proposed activities.

In the first instance, Aera Energy LLC received a *de minimis* waiver in December 2010 for stabilizing a section of Platform Emmy's offshore oil production pipeline using sandbags.²⁷² The work involved placing sandbags in a pyramid formation to support a spanning pipeline, similar to the method used by Sable. In that matter, the Coastal Commission determined that the project would not have a significant adverse effect on coastal resources.²⁷³

Similarly, in November 2022, California Resources Corporation was granted *a de minimis* waiver for rectification work on two existing pipelines offshore Huntington Beach.²⁷⁴ This involved installing sandbags at locations where the pipeline had lost contact with the seafloor, akin to Sable's Span Remediation Work. The Coastal Commission again recognized the

²⁶⁸ See Document No. 28, BSEE Update of Pacific OCS Region Pipelines (Oct. 2014), pp. 11-16.

²⁶⁹ See Document No. 23, July 7, 2011 Letter from Exxon to SLC.

²⁷⁰ See Document No. 24, January 27, 2012 Letter from Exxon to SLC.

²⁷¹ See Document No. 90, EDCDO/NOI, p. 10.

²⁷² See Document No. 22, Notice of Coastal Development Permit Waiver – De Minimis (Dec. 9, 2010).

²⁷³ *Id*. at p. 2.

²⁷⁴ See Document No. 40, Notice of Coastal Development Permit De Minimis Waiver Coastal Act Section 30624.7 (Oct. 18, 2022).

limited environmental impact, noting that the work would not adversely affect coastal resources.²⁷⁵

These examples demonstrate that the Commission previously has acknowledged the routine and low-impact nature of similar maintenance activities by issuing *de minimis* waivers. Therefore, Sable's Span Remediation Work, which does not involve impacts that are different from this precedent, should not be judged to require a new CDP. As discussed above, the activities were conducted with minimal environmental impact, caused no harm to coastal resources, and were consistent with established practices for which the Commission had previously waived any requirements.

D. No Restoration Order or Penalties May Be Issued

Commission staff assert that the Commission may issue a restoration order concerning Sable's Span Remediation Work. However, the Coastal Act does not permit a restoration order or any penalties to be issued regarding this work. Section 30811 of the Coastal Act allows the Commission to issue a restoration order "if it finds that the development has occurred without a coastal development permit from the commission [or] local government, the development is inconsistent with [the Coastal Act], and the development is causing continuing resource damage." None of these conditions exist here. As detailed above, the Span Remediation Work was conducted under the oversight of the SLC and in accordance with the original Offshore CDP, meaning the work did not "occur[] without a coastal development permit." The activities were consistent with the Coastal Act, as they were anticipated within the original permitting framework and aligned with both federal and state regulatory standards. Furthermore, Sable implemented several best management practices during the Span Remediation Work to avoid impacts on coastal resources. Therefore, Sable's Span Remediation Work is not "causing continuing resource damage." Because none of the statutorily required conditions exist for the issuance of a restoration order, no such order may be issued.

Commission staff also assert that Coastal Act sections 30820, 30821.3, 30821.6, and 30822 authorize penalties against Sable related to the Span Remediation Work. None of these sections apply here, and thus no penalties may be levied. Section 30820 authorizes civil penalties to be imposed by the superior court when a person "undertakes development that is in violation [of the Coastal Act] or that is inconsistent with any coastal development permit previously issued by the commission [or] a local government,"²⁷⁷ and section 30822 authorizes actions for exemplary damages when a person has "intentionally and knowingly violated any provision of [the Coastal Act]."²⁷⁸ Here, the Span Remediation Work was authorized under the existing Offshore CDP, and thus no Coastal Act violation occurred. Similarly, section 30821.3 authorizes the Commission to levy administrative penalties against a person "who is in violation of any provision of [the Coastal Act]." Again, as the Span Remediation Work was conducted

²⁷⁵ *Id.* at p. 2.

²⁷⁶ Pub. Res. Code, § 30811. Even if Sable's Span Remediation Work were not authorized by the Offshore CDP, such work is not inconsistent with the Coastal Act and could receive a coastal development permit from the Commission.

²⁷⁷ Pub. Res. Code, § 30820.

²⁷⁸ Pub. Res. Code, § 30822.

with authorization under the Coastal Act pursuant to the existing Offshore CDP, no Coastal Act violation occurred. Finally, section 30821.6 authorizes civil liability against persons who "intentionally or negligently violate[] any cease and desist order," with the "actual penalty imposed [to] be reasonably proportionate to the damage suffered as a consequence of the violation." Here, neither Commission staff nor the full Commission possessed the authority to issue any Cease and Desist Order with respect to the Span Remediation Work because such work was authorized by the existing Offshore CDP. Moreover, as discussed above, Sable implemented several best management practices to ensure that no damage to coastal resources occurred as a result of the work. Finally, Sable was not under any alleged cease and desist order related to the offshore pipelines when the work was completed. Accordingly, contrary to the EDCDO's allegations, no penalties may be levied against Sable related to the Span Remediation Work.

E. Conclusion

In conclusion, the Commission, in issuing the Offshore CDP already reviewed and approved Sable's Span Remediation Work on the SYU pipelines. Thus, no new authorization from the Commission was required. Further, the work was conducted in compliance with industry standards and regulatory requirements, ensuring pipeline integrity and environmental protection. The activities were executed under the guidelines and oversight of the SLC and in line with the Offshore CDP. This work was consistent with past maintenance practices and anticipated within the original permitting framework.

The Commission's allegations in the 2025 NOV and EDCDO/NOI are incorrect, both factually and legally. The Span Remediation Work previously was authorized and aligns with both federal and state regulatory standards. The Commission's claim that a new CDP is required overlooks the fact that such maintenance was included in the DPP, the original federal Consistency Certification, and Offshore CDP.

²⁷⁹ Pub. Res. Code, § 30821.6.

CALIFORNIA COASTAL COMMISSION

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Attachment B

STATEMENT OF DEFENSE FORM

DEPENDING ON THE OUTCOME OF FURTHER DISCUSSIONS THAT OCCUR WITH COMMISSION ENFORCEMENT STAFF AFTER YOU HAVE COMPLETED AND RETURNED THIS FORM, ADMINISTRATIVE OR JUDICIAL ENFORCEMENT PROCEEDINGS MAY PROCEED AGAINST YOU. IF THAT OCCURS, ANY STATEMENTS THAT YOU MAKE ON THIS FORM WILL BECOME PART OF THE ENFORCEMENT RECORD AND MAY BE USED AGAINST YOU.

YOU MAY WISH TO CONSULT WITH OR RETAIN AN ATTORNEY BEFORE COMPLETING THIS FORM OR OTHERWISE CONTACT THE COMMISSION ENFORCEMENT STAFF.

This form is accompanied by either a cease and desist order issued by the executive director or a notice of intent to initiate cease and desist order proceedings before the commission. This document indicates that you are or may be responsible for or in some way involved in either a violation of the commission's laws or a commission permit. The document summarizes what the (possible) violation involves, who is or may be responsible for it, where and when it (may have) occurred, and other pertinent information concerning the (possible) violation.

This form requires you to respond to the (alleged) facts contained in the document, to raise any affirmative defenses that you believe apply, and to inform the staff of all facts that you believe may exonerate you of any legal responsibility for the (possible) violation or may mitigate your responsibility. This form also requires you to enclose with the completed statement of defense form copies of all written documents, such as letters, photographs, maps, drawings, etc. and written declarations under penalty of perjury that you want the commission to consider as part of this enforcement hearing.

You should co	emplete the form as fully and accurately as you can and as quickly as you can and return it no
later than	to the commission's enforcement staff at the following address:

California Coastal Commission 45 Fremont Street, Suite 2000 San Francisco, California 94105

If you have any questions, please contact as soon as possible Stephanie Cook of the Commission enforcement staff at telephone number (415) 795-9993.

1. Facts or allegations contained in the cease and desist order or the notice of intent that you admit (with specific reference to the paragraph number in the order):

Please see Attachment C for specific responses to each allegation contained in the Executive Director Cease and Desist Order No. ED-25-CD-01 and Notice of Intent to Commence Proceedings for a Commission Cease and Desist Order, Restoration Order, and Administrative Penalty Order ("EDCDO/NOI").

2. Facts or allegations contained in the cease and desist order or notice of intent that you deny (with specific reference to paragraph number in the order):

Please see Attachment C for specific responses to each allegation contained in the EDCDO/NOI.

3. Facts or allegations contained in the cease and desist order or notice of intent of which you have no personal knowledge (with specific reference to paragraph number in the order):

Please see Attachment C for specific responses to each allegation contained in the EDCDO/NOI.

4. Other facts which may exonerate or mitigate your possible responsibility or otherwise explain your relationship to the possible violation (be as specific as you can; if you have or know of any document(s), photograph(s), map(s), letter(s), or other evidence that you believe is/are relevant, please identify it/them by name, date, type, and any other identifying information and provide the original(s) or (a) copy(ies) if you can:

Please see Attachment A for a narrative explanation of Sable's conduct and position with respect to the alleged Coastal Act violations. Please see Attachment D for documents and evidence supporting Sable's narrative explanation in Attachment A and specific responses to the allegations in Attachment C.

5. Any other information, statement, etc. that you want to offer or make:

Please see Attachment A for a narrative explanation of Sable's conduct and position with respect to the alleged Coastal Act violations.

6. Documents, exhibits, declarations under penalty of perjury or other materials that you have attached to this form to support your answers or that you want to be made part of the

Sable Offshore Corp. 03/10/2025 Page 3 of 3

administrative record for this enforcement proceeding (Please list in chronological order by date, author, and title, and enclose a copy with this completed form):

Please see Attachment A for a narrative explanation of Sable's conduct and position with respect to the alleged Coastal Act violations. Please see Attachment D for documents and evidence supporting Sable's narrative explanation in Attachment A and specific responses to the allegations in Attachment C.

Attachment C

Responses to EDCDO/NOI Allegations

This Attachment C responds to each statement in Coastal Commission staff's February 18, 2025, Executive Director Cease and Desist Order No. ED-25-CD-01 and Notice of Intent to Commence Proceedings for a Commission Cease and Desist Order, Restoration Order, and Administrative Penalty Order ("EDCDO/NOI"). This Attachment C responds to the Statement of Defense Form questions 1, 2, and 3, which request the facts or allegations contained in the EDCDO/NOI that are being admitted, denied, or for which there is no personal knowledge. The Statement of Defense requests that each response include a specific reference to a paragraph number from the EDCDO/NOI. Accordingly, the EDCDO/NOI has been copied below and separated by paragraph. Each numbered "Paragraph" statement refers to a direct quote from the EDCDO/NOI. Each "Response" statement responds to the immediately preceding Paragraph statement and is numbered accordingly.

Paragraph 1. Subject: Executive Director Cease and Desist Order No. ED- 25-CD-01 and Notice of Intent to Commence Proceedings for a Commission Cease and Desist Order, Restoration Order, and Administrative Penalty Order

Date Issued: 02/18/2025

Expiration Date: 05/19/2025

Violation Nos.: V-9-25-0013 and V-9-24-0152

Response 1. Paragraph 1 speaks for itself and no response is required. Sable Offshore Corp. ("Sable") denies that the Coastal Commission ("Commission") possesses the authority to issue any Cease and Desist Order, whether issued by the Executive Director or Commission. Sable denies all allegations of Coastal Act violations. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.

Paragraph 2. Location:

The properties that are subject to this order are at various locations along the existing Las Flores Pipelines CA-324 and CA-325 within the Coastal Zone, between the Gaviota coast and the Las Padres National Forest, and areas surrounding the pipelines that are being or could be impacted by the development activities at issue here, in which the parties subject to this order are performing or intend to perform any of the activities described below, all within Santa Barbara County. The properties that are subject to the Notice of Intent to commence further enforcement proceedings are those same properties as well as areas previously impacted by similar work and offshore locations along the larger Santa Ynez Unit pipeline, in state waters, where the parties subject to this notice have undertaken unpermitted development in placing sand/cement bags and pallets on the seafloor below and adjacent to Sable's out-of-service offshore oil and water pipelines as part of an effort to restart SYU oil production operations and bring the pipelines back into use.

Response 2. Sable denies that the Commission possesses the authority to issue any Cease and Desist Order and further denies each and every allegation of unpermitted development contained in Paragraph 2. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial. Sable admits that the properties at issue are all located either in Santa Barbara County between the Gaviota coast and the Los Padres

National Forest along the existing Las Flores Pipelines CA-324 and CA-325 within the Coastal Zone or offshore along existing Santa Ynez Unit ("SYU") pipeline locations.

- Paragraph 3. Violation Description: Activities onshore including, but not limited to, excavation with heavy equipment; removal of major vegetation; grading and widening of roads; installation of metal plates over water courses; dewatering and discharge of water; pipeline removal, replacement, and reinforcement; installation of shutoff valves; and other development associated with the Las Flores Pipelines CA-324 and CA-325; as well as offshore development including, but not necessarily limited to, placing sand/cement bags and pallets on the seafloor below and adjacent to Sable's out-of-service offshore oil and water pipelines; all without the requisite Coastal Act authorization, as part of an effort to restart Santa Ynez Unit oil production operations and bring the pipelines back into use.¹
- **Response 3.** Sable denies all allegations of Coastal Act violations and further denies each and every allegation of unpermitted development contained in Paragraph 3. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- Paragraph 4. Dear Sirs, This is in furtherance of our discussions regarding the recent activities of Sable. I want to note that we are not taking a position regarding the underlying merits of the pipeline and of Sable's recent activities here, but want to work with you to ensure that any actions taken here, in this iconic area, are done in a way that protects the fragile ecosystem, and the humans and animals in the area. We remain more than willing to work with you to ensure that any work contains any necessary protections and conforms with applicable laws. We again offer to work with you and the County on a consolidated permit to move forward in the most efficient and streamlined manner possible and are available to discuss options with you going forward.
- Response 4. Sable denies that a consolidated permit is procedurally proper, as further addressed in Attachment A, Sections III.B.6 and III.C.8, and further denies each and every remaining allegation contained in Paragraph 4. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.

I. ORDER

Paragraph 5. Pursuant to my authority under California Public Resources Code ("PRC") Section 30809, as the Executive Director of the California Coastal Commission ("Commission"), I hereby issue this Executive Director Cease and Desist Order ("EDCDO" or "this Order"), which orders you, Sable Offshore Corp. ("Sable"), as the owner and operator of Las Flores Pipelines CA-324 and CA-325 ("Pipeline"), to cease further work along the Pipeline and immediately surrounding areas unless and until authorized by a new, final coastal development permit ("CDP").²

Response 5. Paragraph 5 speaks for itself and no response is required. Sable denies that the Commission possesses the authority under the Coastal Act to issue any Cease and Desist Orders, including the EDCDO pursuant to PRC Section 30809, because, as further addressed in

¹ Please note that the description herein of the violations at issue is not necessarily a complete list of all unpermitted development on the properties in violation of the Coastal Act.

² A "final" coastal development permit as used here means one that is: (a) no longer subject to appeal, either within the County system or to the Commission, and whether because the time period for such appeals has elapsed or because all such appeals have been completed.

Attachment A, Sections III.B.4 and III.C.6, Santa Barbara County has authorized Sable's work along Las Flores Pipelines CA-324 and CA-325 under the County's approved coastal development permits for those facilities. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

- **Paragraph 6.** Compliance with the following terms is intended to ensure that all development described in Section E, below, remains halted, ensuring that further unnecessary damaging effects to coastal resources are avoided, while Sable obtains the legally necessary authorization for future, proposed development, and/or for any steps needed restore the site, as follows.
- **Response 6.** Sable denies each and every allegation contained in Paragraph 6, including without limitation that Sable's activities are causing damaging effects to coastal resources. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.
- **Paragraph 7.** Pursuant to my authority under PRC Section 30809, I hereby order Sable:
 - 1. To cease and desist from conducting any further development at the onshore locations described above unless you have submitted evidence, for my review and approval, demonstrating that you possess the necessary Coastal Act authorization for the work and have received my written approval to proceed.
 - 2. If you decide you wish to proceed, either: (a) demonstrate, to my satisfaction, that Sable already possesses the necessary Coastal Act authorization for the work, which Sable has not yet demonstrated,³ or (b) obtain a new, final, operative CDP or other valid Coastal Act authorization specifically covering the work at issue and comply with the terms of any final, validly issued CDPs.
- Response 7. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, including the EDCDO, pursuant to PRC Section 30809, because, as further addressed in Attachment A, Sections III.B.4 and III.C.6, Santa Barbara County has authorized Sable's work along Las Flores Pipelines CA-324 and CA-325 under the County's approved coastal development permits for those facilities, which are both final and no longer subject to appeal. Sable previously has demonstrated to Commission staff that Sable possesses the necessary Coastal Act authorization for the work at issue. Sable denies each and every remaining allegation in Paragraph 7. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

A. ENTITIES SUBJECT TO THE ORDER

- **Paragraph 8.** The parties whose actions or inactions are subject to this Order are Sable Offshore Corp; all employees, agents, and contractors of the foregoing; and any other person or entity acting in concert with the foregoing.
- **Response 8.** Sable admits that it is involved in certain activities described in the EDCDO. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, including the EDCDO, as further addressed in Attachment A, Sections III.B.4 and III.C.6, and further denies each and every remaining allegation contained in Paragraph 8. Please

³ We offer this option as an accommodation and remain willing to review and consider any additional permit language Sable may provide at any time, including after issuance of this EDCDO.

see Attachment A, Section III, for additional background and support regarding Sable's denial.

B. IDENTIFICATION OF THE PROPERTIES

- **Paragraph 9.** The properties that are subject to this are various locations along the existing Las Flores Pipelines CA-324 and CA-325 within the Coastal Zone, between the Gaviota coast and the Las Padres National Forest, areas surrounding the Pipeline and impacted by the development activities at issue here, all within Santa Barbara County.
- Response 9. Sable admits that the onshore properties at issue are all located either in Santa Barbara County between the Gaviota coast and the Los Padres National Forest along the existing Las Flores Pipelines CA-324 and CA-325 within the Coastal Zone. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, including the EDCDO, as further addressed in Attachment A, Sections III.B.4 and III.C.6, and further denies each and every remaining allegation contained in Paragraph 9. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

C. DESCRIPTION OF THE VIOLATIONS

- Paragraph 10. The Coastal Act violations and threatened violations addressed by this Order involve development that has occurred in the Coastal Zone without the requisite Coastal act authorization, including, but not necessarily limited to, excavation with heavy equipment; removal of major vegetation; grading and widening of roads; installation of metal plates over water courses; placement of fill in wetlands and coastal waters; dewatering and discharge of water; pipeline removal, replacement, and reinforcement; any installation of shutoff valves; and other development associated with Pipeline.
- **Response 10.** Sable denies all allegations of any Coastal Act violations or unpermitted development, and further denies each and every allegation contained in Paragraph 10. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

D. COMMISSION AUTHORITY TO ACT

- Paragraph 11. The Executive Director is issuing this Order pursuant to her authority under PRC Section 30809, including, but not necessarily limited to, subdivision (a)(2) thereof. The County has indicated that it believes the work at issue is authorized by prior permits, and thus, it does not agree with Commission staff's conclusion that the recently completed, ongoing and threatened, future work constitutes a violation of the Coastal Act and LCP. Commission staff has explained its contrary position to the County on multiple occasions, most recently in a letter dated February 14, 2025. In addition, on February 17, 2025, after a representative of Sable responded to my request that Sable forestall further activities and instead indicated that "Sable intends to proceed," Commission staff specifically requested that the County either take enforcement action or confirm that they were, in fact, not willing to take action to address the alleged violations noted above, pursuant to PRC Section 30809(a)(2). Having received no response from the County by 12pm February 18, 2025, I am moving forward with issuing this EDCDO.
- **Response 11.** Documents and communications described in Paragraph 11 speak for themselves. Sable denies that the Executive Director possesses the authority to issue any Cease and Desist

⁴ February 17, 2025, letter from DJ Moore, of Latham & Watkins LLP, writing on behalf of Sable.

Orders, including the EDCDO pursuant to PRC Section 30809(a)(2), because, as further addressed in Attachment A, Sections III.B.4 and III.C.6, the County has confirmed that no further Coastal Act authorization was required for the onshore activities discussed in the EDCDO. Sable further denies each and every remaining allegation contained in Paragraph 11. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

E. EXECUTIVE DIRECTOR'S FINDINGS

- Paragraph 12. As the Executive Director of the Commission, I am issuing this Order pursuant to my authority under PRC Sections 30809(a) to prevent further significant damage to coastal resources that, without this order, would be likely to occur. As noted in our Notice, Sable's continued work on the Pipeline would be likely to contribute to environmental impacts that could have been avoided, including the destabilization of rain-soaked hillsides and habitat areas, discharge of mud and debris into watercourses and wetlands, disturbance to nesting birds that could lead to nest and habitat abandonment, and declines in breeding success. Further, the history of this site has made it clear that the utmost caution, and safety, must be taken to avoid catastrophic damage to coastal resources such as those seen after the 2015 pipeline failure and resulting Refugio Oil Spill.
- Response 12. As discussed above in Response 11, Sable denies that the Executive Director possesses the authority to issue any Cease and Desist Orders, including the EDCDO pursuant to PRC Section 30809(a), because the County has confirmed that no further Coastal Act authorization was required for the onshore activities described in the EDCDO, as further addressed in Attachment A, Sections III.B.4 and III.C.6. Sable denies that the subject work either has previously resulted, or in the future would result in any environmental impacts that were not already analyzed, mitigated for, and approved under the onshore pipelines' environmental review and the County's previously issued coastal development permits for the pipelines, as further discussed in Attachment A, Sections III.B.3 and III.C.3. Sable denies that Paragraph 12's discussion of the Refugio Oil Spill is proper or relevant because the Coastal Commission possesses no authority or jurisdiction over pipeline safety, which is subject to the exclusive jurisdiction of the Office of the State Fire Marshal. Sable further denies each and every remaining allegation contained in Paragraph 12. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.
- Paragraph 13. Commission enforcement staff informed Sable of the violations of the Coastal Act in an initial Notice of Violation letter sent to Sable on September 27, 2024, a follow-up letter sent October 4, 2024, and continued to discuss the violations in multiple virtual meetings over the course of the following weeks. On November 12, 2024, an EDCDO was issued directing Sable to immediately cease and desist from conducting any further unpermitted development along the Pipeline, submit an interim restoration plan to safely secure those sites where unpermitted development had occurred, and apply for a CDP for any proposed future work to be undertaken along the Pipeline, as well as for after-the-fact (ATF) authorization for unpermitted development that had already occurred. On February 11, 2025, Commission staff additionally issued a Notice of Violation letter for unpermitted development undertaken by Sable at locations offshore, in state waters. A more detailed recitation of the history is provided below.
- **Response 13.** Documents and communications described in Paragraph 13 speak for themselves. Sable denies all allegations of Coastal Act violations and further denies each and every remaining

allegation contained in Paragraph 13. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

Paragraph 14. With limited exceptions not applicable here, PRC Section 30600(a) states that, in addition to obtaining any other permit required by law, any person wishing to perform or undertake any development in the coastal zone must obtain a CDP. "Development" is defined by Section 30106 of the Coastal Act as follows:

"'Development' means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act (commencing with Section 66410 of the Government Code), and any other division of land, including lot splits, except where the land division is brought about in connection with the purchase of such land by a public agency for public recreational use; change in the intensity of use of water, or of access thereto; construction, reconstruction, demolition, or alteration of the size of any structure, including any facility of any private, public, or municipal utility..." (emphasis added)

- **Response 14.** Paragraph 14 quotes the Coastal Act, which speaks for itself. Sable denies the allegation that no exceptions are applicable and further denies each and every remaining allegation contained in Paragraph 14. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.
- **Paragraph 15.** The Development described herein clearly constitutes "development" within the meaning of the above-quoted definition and therefore requires a CDP. Sable has not submitted an application for a CDP for any of its proposed future work at either onshore, or offshore locations, as described above, nor has Sable submitted any ATF application for work previously undertaken along the Pipeline and within the Coastal Zone.
- **Response 15.** Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 15. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial. As set forth therein, Sable has submitted applications to the County for Coastal Act authorizations for both proposed future work and for work previously undertaken along the onshore pipelines within the Coastal Zone.
- Paragraph 16. On September 27, 2024, Commission staff sent a "Notice of Violation" letter informing Sable that the Commission had become aware of unpermitted development activities taking place within the Coastal Zone, including excavation with heavy machinery, grading, and other activities at various locations along the Pipeline, apparently in connection with a proposed restart of the Santa Ynez Unit, consisting of three offshore platforms, Las Flores Canyon processing facility, and associated electrical transmission and onshore and offshore oil and gas transport pipelines. Commission staff requested Sable immediately cease all unpermitted development within the Coastal Zone, including all activities associated with Lines 324 and 325, as well as any potential development activities taking place along the offshore platforms and Pipeline. Commission staff further detailed the need for Coastal Act authorization for any development in the Coastal Zone, which should be sought through the submittal of an application(s) for the required CDP(s).

- **Response 16.** Documents and communications described in Paragraph 16 speak for themselves. Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 16. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- Paragraph 17. On October 1, 2024, Sable met with Commission staff to discuss the above-mentioned Coastal Act violations. In this conversation, Commission staff conveyed to Sable that all unpermitted development activities, along the Pipeline, must cease immediately. Immediate cessation of all work would result in several open pit sites, where excavation activities had already begun. Because of this, Commission staff and Sable discussed steps necessary to ensure the open pit sites could be temporarily secured. However, my staff made it clear to Sable that all work must stop immediately. Nonetheless, Commission staff received an email from Sable on October 2, 2025, stating that work had been suspended, "subject to taking interim measures". Commission staff met with Sable on October 3, 2025, to reiterate that all work must fully cease, and including any such "interim measures" which still amounted to development requiring Coastal Act authorization.
- **Response 17.** Documents and communications described in Paragraph 17 speak for themselves. Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 17. Please see Attachment A, Section III.B, for additional background and support regarding Sable's denial.
- **Paragraph 18.** Despite these conversations, Commission staff received notice that Sable had yet to cease all work.
- **Response 18.** Sable has no personal knowledge as to the allegations contained in Paragraph 18 and, on that basis, denies all such allegations. Please see Attachment A, Section III.B.
- **Paragraph 19.** Thus, on October 4, 2024, Commission staff sent a letter to Sable providing formal notice of the Executive Director's intent to issue an order, if necessary, to halt the ongoing project work, and requested written assurances by 2:00 pm that day, that Sable had, in fact ceased work entirely.
- **Response 19.** Documents and communications described in Paragraph 19 speak for themselves. Please see Attachment A, Section III.B.
- **Paragraph 20.** Though Sable did send an email to Commission staff before this deadline to state that all work, including the actions in which Sable characterized as interim work measures, had ceased, Commission staff continued to receive messages that work had not ceased and therefore, again, requested Sable provide written assurances that all work had, in fact, ceased.
- **Response 20.** Sable has no personal knowledge as to the allegations contained in Paragraph 20 and, on that basis, denies all such allegations. Please see Attachment A, Section III.B.
- Paragraph 21. In response, Sable, confirmed all work, including any such interim measures, had ceased.
- **Response 21.** Documents and communications described in Paragraph 21 speak for themselves. Please see Attachment A, Section III.B.

- **Paragraph 22.** In addition to the cessation of all work, the October 4, 2024 letter required Sable provide information as to work undertaken along the Pipeline, specific plans as to future, proposed work, and written confirmation of intent to apply for a CDP(s) for ATF authorization for any work that had already occurred in the Coastal Zone and prospective authorization for any proposed future work.
- **Response 22.** Documents and communications described in Paragraph 22 speak for themselves. Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 22. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- **Paragraph 23.** Because Sable did not satisfactorily provide, as required by PRC Section 30809, detailed information as requested in Commission staff's October 4 letter, and further, failed to provide written confirmation as to its commitment to apply for an ATF CDP for work previously undertaken within the Coastal Zone, I issued a EDCDO on November 12, 2024.
- Response 23. Documents and communications described in Paragraph 23 speak for themselves. Sable denies that it failed to provide the information requested in Commission staff's October 4 letter or provide written confirmation as to its commitment to apply for an ATF CDP. As addressed more fully in Attachment A, Section III.B, Sable provided the information requested in the October 4 letter to Commission staff on October 8, 2024. Sable provided additional information in response to staff's requests on October 11, 2024. On October 22, 2024, Sable submitted a written request asking that Commission staff authorize it to complete interim restoration work to alleviate the risk of immediate environmental harm resulting from Sable's work stoppage in compliance with the Commission's September 27, 2024, Notice of Violation and October 4 letter. After extensive, collaborative discussions with Commission staff, staff issued the November 12, 2024, EDCDO to allow such work to occur. Sable also informed Commission staff that it was discussing with Santa Barbara County staff whether an ATF CDP or other Coastal Act authorization would be required. Sable denies each and every remaining allegation contained in Paragraph 23. Please see Attachment A, Section III.B, for additional background and support regarding Sable's denial.
- **Paragraph 24.** In this EDCDO, I directed Sable to complete an Interim Restoration Plan to safely secure the sites in the interim period necessary for Sable to apply for both an ATF CDP for all work previously undertaken along the Pipeline as well as CDP for future, proposed work. As an accommodation, I granted 120 days from the issuance of the EDCDO for Sable to apply for requisite CDPs.
- Response 24. Documents and communications described in Paragraph 24 speak for themselves. Sable prepared, submitted, obtained Commission staff's approval for, and implemented an Interim Restoration Plan as required by the EDCDO. Sable also informed Commission staff that it was discussing with County staff whether an ATF CDP or other Coastal Act authorization would be required by the County as the permitting authority under the County's certified Local Coastal Program. Sable denies each and every remaining allegation contained in Paragraph 24. Please see Attachment A, Section III.B, for additional background and support regarding Sable's denial.
- **Paragraph 25.** On December 20, 2024, Sable successfully completed the Interim Restoration Plan. However, to date, Sable has not submitted any application for an ATF CDP for work previously undertaken, or for a CDP for any future, proposed work to be taken along the Pipeline.

Commission staff had repeatedly asked for greater information, including any full-scale workplans, so as to better understand the overall project.

- Response 25. Sable admits that it completed the work required under the Interim Restoration Plan by December 20, 2024. Sable denies that the Commission possessed the authority to require Sable to submit an application for any CDP and further denies each and every remaining allegation contained in Paragraph 25. As described in Attachment A, Section III, Sable submitted applications and materials regarding its repair and maintenance activities to Santa Barbara County on November 22, 2024 and December 5, 2024 for the County's review and consideration of whether a new or amended coastal development permit would be required. Sable denies that Commission staff has not been provided with information regarding the subject work because Sable provided to Commission staff the materials it previously submitted to the County for Commission staff's review. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.
- **Paragraph 26.** Without detailed information as to these plans, it is difficult for Commission staff to fully understand the scope of the work Sable has undertaken, as well as any proposed future plans and it is further difficult for Commission staff to provide a fully analysis as to what, if any, work has been authorized under applicable law.
- **Response 26.** Sable denies each and every allegation contained in Paragraph 26. As explained in Response 25, Sable provided Commission staff with the applications and materials regarding its repair and maintenance activities that Sable previously submitted to the County. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- **Paragraph 27.** Instead, Sable shifted operations offshore and carried out additional development activities without the benefit of a CDP including, but not limited to, the deployment of an unspecified number of "tea-bag pallets," sand-to-concrete bags, and soft-concrete bags, as part of an effort to restart oil production operations and bring the Santa Ynez Unit pipeline back into use.
- Response 27. Sable denies all allegations of unpermitted development offshore and further denies each and every remaining allegation contained in Paragraph 27. Sable admits that it has placed sand-cement bags beneath certain segments of the offshore pipelines on the seafloor where contact between the offshore pipelines and the seafloor has been lost due to the movement and loss of sand consistent with work previously authorized by both federal approvals and the existing coastal development permit for those pipelines. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- Paragraph 28. Specifically, the project deployed a remotely operated vehicle ("ROV") to place concrete bags and pallets along more than 750 linear feet of the pipelines to create support piers along 14 identified spans of between 41 and 70 feet. These activities took place over three days from November 29, 2024, to December 1, 2024.
- **Response 28.** Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 28. Please see Attachment A, Section IV.C for a detailed description of the span remediation work, which Sable admits occurred in state waters over three days from November 29, 2024 to December 1, 2024.

- **Paragraph 29.** Sable also sought authorization for the onshore violations described in the EDCDO through the County's zoning clearance process. On November 22, 2024, and December 5, 2024, Sable submitted applications to the County requesting authorization for pipeline "anomaly repair work" conducted along the Las Flores Pipelines, CA-324 and CA-325
- **Response 29.** Documents and communications described in Paragraph 29 speak for themselves. Sable admits that it submitted applications to Santa Barbara County on November 22, 2024, and December 6, 2024, and that those applications also have been provide to Coastal Commission staff. Please see Attachment A, Section III.B.
- Paragraph 30. On January 10, 2025, the Commission held a conference call with the Santa Barbara County Planning and Development Department ("County") to discuss Sable's pending Zoning Clearance applications, as well as the potential for a consolidated coastal development permit covering both onshore and offshore development activities. During this conversation, the County agreed to follow up with information, including the citations and provisions within existing County issued permit(s) that the County believed might have pre-authorized the recently completed and proposed Pipeline work, as well as any other evidence Sable provided that the County found to be compelling. The parties to the call further confirmed that they would have a follow-up discussion before any County approval of Sable's Zoning Clearance applications. Despite this, however, no such information was received, and the Commission, therefore, followed up on this conversation through email, on February 7, 2025, again requesting this information.
- **Response 30.** Sable has no personal knowledge as to the allegations contained in Paragraph 30 and, on that basis, denies all such allegations. Please see Attachment A, Section III.B.
- **Paragraph 31.** On February 12, 2025, Commission staff received a letter from the County, in response to the prior request made by Commission staff that the County agree to the Commission's review of a consolidated permit application, pursuant to California Public Resources Code section 30601.3(a)(2). In this letter, the County stated that it had concluded that the "anomaly repair work" addressed in Sable's zoning clearance applications "is authorized by existing permits" and therefore no further application to, or action by, the County is required. However, the County expressed its support for the Commission's review of a consolidated permit application, if submitted by Sable.
- Response 31. Documents and communications described in Paragraph 31 speak for themselves. Sable denies that a consolidated permit would be procedurally proper, as further addressed in Attachment A, Sections III.B.6 and III.C.8, and further denies each and every remaining allegation contained in Paragraph 31. Please see Attachment A, Section III.B, for additional background and support regarding Sable's denial.
- **Paragraph 32.** In addition to this letter, the County provided the Commission with copy of an additional letter, which the County sent to Sable, notifying Sable that work addressed in Sable's zoning clearance permits "is covered by prior permits," though neither letter provided any citation to or quotation of any language in any such permits to support this assertion.
- Response 32. Documents and communications described in Paragraph 32 speak for themselves. However, Sable notes that the letter quoted in Paragraph 32 also specifically stated that the work addressed in Sable's zoning clearance applications "was contemplated, analyzed, and approved in the [onshore pipelines'] existing Final Development Plan, Major Conditional Use Permit, associated Coastal Development Permits and certified EIR/EIS." Please see

Attachment A, Section III.B for additional background and support regarding the County's letter.

- **Paragraph 33.** In response to these two letters and a February 14 request from the Environmental Defense Center, on February 16, 2025, I issued a letter to the County initiating a review of the County's determination, pursuant to Section 13569 of the Commission's regulations, and requesting a complete copy of any coastal development permit applications submitted by Sable and/or its predecessor(s) for the shutoff valve installation work on the Pipeline and Sable's application for the zoning clearance(s) for the repair anomaly work along the Pipeline.
- Response 33. Documents and communications described in Paragraph 33 speak for themselves. Sable has no personal knowledge as to the request from the Environmental Defense Center noted in Paragraph 33. As more fully set forth in Attachment A, Sections III.B.6 and III.C.8, as well as the County's February 24, 2025, letter to the Coastal Commission, Sable denies that dispute resolution under Section 13569 is procedurally proper. Specifically, the County, which possesses delegated local coastal program permitting authority under the Coastal Act, determined that Sable's onshore work required no further authorization or approval from the County in order for Sable to proceed with the work. This did not constitute a determination of whether the proposed development is exempt or categorically excluded from the Coastal Act as required under Section 13569 for the dispute resolution procedures to apply. As such, and consistent with the County's February 24 letter, Section 13569's dispute resolution provisions are not applicable. Sable further denies each and every remaining allegation contained in Paragraph 33. Please see Attachment A, Section III.B and III.C, for additional background and support regarding Sable's denial.
- **Paragraph 34.** Additionally, on February 16, 2025, I provided Sable with notice of my intention to issue a new EDCDO to Sable.
- **Response 34.** Documents and communications described in Paragraph 33 speak for themselves. Please see Attachment A, Section III.
- **Paragraph 35.** In this letter, I responded to arguments that Sable submitted on February 14, purporting to support the position the County had taken, and I explained why, despite those argument, based on the information I had received to date, I continued to believe that Sable's proposed activities lacked the necessary Coastal Act authorization.
- **Response 35.** Documents and communications described in Paragraph 35 speak for themselves. Sable denies all allegations of Coastal Act violations and unpermitted development and further denies each and every remaining allegation contained in Paragraph 35. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.
- **Paragraph 36.** I therefore directed Sable to confirm in writing by February 17, 2025, that Sable would cease all development as described in, and subject of, that letter unless and until Sable either: (a) demonstrates, to my satisfaction, that it already possesses the necessary Coastal Act authorization for the work, which Sable has not yet demonstrated.⁵
- **Response 36.** Documents and communications described in Paragraph 36 speak for themselves. Sable denies all allegations of Coastal Act violations and unpermitted development and further

⁵ We offer this option as an accommodation and remain willing to review and consider any additional permit language Sable may provide either before, or after, issuance of Coastal Act authorization.

denies each and every remaining allegation contained in Paragraph 36. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

- **Paragraph 37.** On February 17, 2025, I received a letter from Sable reiterating their position that Sable's work "does not constitute a violation of the Coastal Act or the County's LCP because it is authorized under the pipelines' existing CDPs and other approvals."
- **Response 37.** Documents and communications described in Paragraph 37 speak for themselves. Please see Attachment A, Section III.
- **Paragraph 38.** As a jurisdictional requirement to issue this Order, I have determined that Sable is undertaking or is threatening to undertake development that may require a CDP, without first securing a CDP and further determined Santa Barbara County has declined to act in a timely manner regarding the coastal act violations as detailed in the EDCDO, and this failure to act will cause damage to coastal resources.
- Response 38. Sable denies that the Commission possesses the authority to issue any Cease and Desist Order or that Santa Barbara County has declined to act in a timely manner regarding the alleged Coastal Act violations, as further addressed in Attachment A, Sections III.B.4 and III.C.6, and further denies each and every remaining allegation contained in Paragraph 38. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.
- Paragraph 39. Thus, as of the issuance of this Order, I have concluded that Sable has yet to apply for any CDP, or other valid Coastal Act authorization, covering the work at issue, nor has Sable demonstrated that it possesses the necessary Coastal Act authorization for this work. As such, I am issuing this EDCDO pursuant to my authority under PRC Sections 30809(a)(2).
- Response 39. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, including the EDCDO, denies all allegations of Coastal Act violations and unpermitted development, and further denies each and every remaining allegation contained in Paragraph 39. To the contrary, and as set forth in Santa Barbara County's February 12, 2025, letter, Sable applied for Coastal Act authorizations from the County and the County confirmed that "no further application to or action by the County is required" for Sable to proceed with the proposed work. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

F. COMPLIANCE OBLIGATION

Paragraph 40. Respondent's strict compliance with this Consent Order is required. Failure to comply with any term or condition of this Consent Order, including any deadline contained herein, unless the Executive Director grants an extension under Section I.5, above, will constitute a violation of this Consent Order and shall result in Respondent being liable for stipulated penalties in the amount of \$1,000 per day per violation. Respondent shall pay stipulated penalties within 10 days of receipt of written demand by the Executive Director, regardless of whether Respondent subsequently complies. If Respondent violates this Consent Order, nothing in this agreement shall be construed as prohibiting, altering, or in any way limiting the ability of the Commission to seek any other remedies available, including the imposition of civil penalties and other remedies pursuant to PRC Sections 30820, 30821, 30821.6, and 30822, as a result of the lack of compliance with this Consent Order.

Response 40. The EDCDO and the Public Resources Code speak for themselves. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, including the EDCDO, as further addressed in Attachment A, Sections III.B.4 and III.C.6, and further denies each and every remaining allegation contained in Paragraph 40. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

G. CHALLENGE

- **Paragraph 41.** Pursuant to PRC Section 30803(b), any person or entity to whom this Consent Order is issued may file a petition with the Superior Court and seek a stay of this Consent Order. Also pursuant to PRC Section 30803(a), any person may maintain an action for declaratory and equitable relief to restrain any violation of this division, including of any orders issued pursuant to Section 30809, 30810 or 30811.
- **Response 41.** Paragraph 41 and the Public Resources Code speak for themselves and no response is required. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, as further addressed in Attachment A, Sections III.B.4 and III.C.6. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

H. EFFECTIVE DATE

- **Paragraph 42.** This Order shall be effective upon its issuance and shall expire 90 days from the date issued on 02/18/2025 unless extended consistent with the applicable regulations.
- **Response 42.** Paragraph 42 speaks for itself and no response is required. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, as further addressed in Attachment A, Sections III.B.4 and III.C.6. Please see Attachment A, Section III, for additional background and support regarding Sable's denial.

II. NOTICE OF INTENT TO COMMENCE A CEASE AND DESIST ORDER, RESTORATION ORDER, AND ADMINISTRATIVE CIVIL PENALTY PROCEEDINGS

- Paragraph 43. While we hope that these matters can be addressed quickly via the EDCDO and that a Commission-issued order may not be necessary, I am also notifying you, as is provided for in Section 13187(B) and Section 13191(a) of the Commission's regulations (Title 14, Division 5.5 of the California Code of Regulations), of my intent to commence proceedings for issuance by the Commission of a Cease and Desist Restoration Order and Administrative Penalty Proceeding, which would include a direction to cease and desist from undertaking further unpermitted development, should such an order be required.
- Response 43. Sable denies that the Commission possesses the authority to issue an EDCDO or other Cease and Desist Order, as further addressed in Attachment A, Sections III.B.4 and III.C.6, denies all allegations of Coastal Act violations and unpermitted development, and further denies each and every remaining allegation contained in Paragraph 43. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- **Paragraph 44.** The EDCDO provides an interim solution to safeguard against damage to coastal resources immediately, and an interim period needed for Sable to obtain necessary CDPs. However, it does not address the work that has already been completed without the necessary

authorization, including the additional work described below which will require a future order.

- Response 44. Sable denies that the Commission possesses the authority to issue an EDCDO or other Cease and Desist Order, as further addressed in Attachment A, Sections III.B.4 and III.C.6, denies all allegations of Coastal Act violations and unpermitted development, and further denies each and every remaining allegation contained in Paragraph 44. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- **Paragraph 45.** In addition to the above actions regarding Sable's unpermitted development activities undertaken onshore, Commission staff were additionally made aware of unpermitted activities undertaken offshore, at locations along the Santa Ynez Unit pipeline, and in state waters.
- **Response 45.** Sable has no personal knowledge as to Commission staff's knowledge of Sable's offshore activities and, on that basis, denies all such allegations. Sable provided a letter to Commission staff providing details of such activities on January 15, 2025, which document speaks for itself. Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 45. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- **Paragraph 46.** On February 11, 2025, Commission staff provided a Notice of Violation letter to Sable regarding unpermitted development including, but not limited to, deploying sand/cement fill materials and pallets on the seafloor adjacent to and below Sable's out-of- service offshore oil and water pipelines as part of an effort to restart SYU oil production operations and bring the Pipeline back into use.
- Response 46. Documents and communications described in Paragraph 46 speak for themselves. Sable denies that Paragraph 46's discussion of the Refugio Oil Spill is proper or relevant because the Coastal Commission possesses no authority or jurisdiction over pipeline restart activities, which is subject to the exclusive jurisdiction of the Office of the State Fire Marshal. (See Government Code, § 51010 [vesting OSFM with the "exclusive safety[,] regulatory and enforcement authority over intrastate hazardous liquid pipelines" and establishing OSFM as the implementing authority for the federal Hazardous Liquid Pipeline Safety Act and "federal pipeline safety regulations as to those portions of interstate pipelines" located in California].) Sable denies all allegations of Coastal Act violations or unpermitted development and further denies each and every remaining allegation contained in Paragraph 46. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- **Paragraph 47.** In an email sent on November 21, 2024, from Cassidy Teufel, Deputy Director of the Commission, to Steve Rusch of Sable, Mr. Teufel stated that it was his understanding, based on previous email correspondence, that Sable was not proceeding with any work associated with the offshore pipeline until Commission staff had an opportunity to discuss it and work through any authorizations that may be required.
- **Response 47.** Documents and communications described in Paragraph 47 speak for themselves. Please see Attachment A, Section IV.
- **Paragraph 48.** He noted that Mr. Rusch had indicated via email that a recent ROV survey had identified pipeline spans that Sable identified as needing to be addressed, and Mr. Teufel asked for

- clarification as to when this work was carried out, and for a description of its scope, including equipment and vessels used and the location, timing, and duration of that work.
- **Response 48.** Documents and communications described in Paragraph 48 speak for themselves. Please see Attachment A, Section IV.
- **Paragraph 49.** Mr. Teufel also reiterated that Sable needed to submit to the Commission a complete CDP application for the proposed span remediation work.
- **Response 49.** Documents and communications described in Paragraph 49 speak for themselves. Please see Attachment A, Section IV.
- Paragraph 50. Mr. Rusch never disputed or contested anything in this email from Mr. Teufel.
- **Response 50.** Sable denies each and every allegation contained in Paragraph 50. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- **Paragraph 51.** Nevertheless, without having received any such application, circa mid-December 2024, the Commission received reports that span remediation work was underway.
- Response 51. Sable has no personal knowledge as to the reports of span remediation work received by Commission staff. Sable admits it did not submit a CDP application to the Commission concerning the span remediation work. Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 51. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- **Paragraph 52.** On January 10, 2025, Mr. Teufel sent a follow up message informing Sable that the Commission had yet to receive the aforementioned permit application, and requesting a status update. The January email also asked Sable to clarify if Sable did in fact carry out activities and reemphasized the Coastal Act permitting requirements as previously explained.
- **Response 52.** Documents and communications described in Paragraph 52 speak for themselves. Sable denies all allegations of unpermitted development contained in Paragraph 52. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- Paragraph 53. In a letter dated January 15, 2025, from DJ Moore of Latham & Watkins, LLC (representing Sable) to Mr. Teufel, Mr. Moore acknowledged that the span remediation activities had occurred, specifically the placement of concrete fill material across 14 separate areas totaling over 750 linear feet adjacent to and below two seafloor pipelines, but claimed those activities did not require a new CDP or Consistency Certification ("CC") under the Coastal Act and the Coastal Zone Management Act, 16 U.S.C. §§ 1541 et seq. ("CZMA"), respectively.
- **Response 53.** Documents and communications described in Paragraph 53 speak for themselves. Sable denies each and every remaining allegation contained in Paragraph 53, including the allegation that fill material was placed on areas totaling over 750 linear feet. The actual span remediation work was conducted on about 150 linear feet along the offshore pipelines. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.

- Paragraph 54. He asserted that these activities were already authorized by the existing Development and Production Plan ("DPP") previously authorized by the Department of the Interior's Minerals Management Service ("MMS"); the Coastal Commission-approved CDP No. E-88-1, which originally authorized the SYU pipeline in 1988; and the Coastal Commission's concurrence in CC No. CC-64-87, all of which occurred more than 30 years ago and did not address the work undertaken in 2024-2025.
- **Response 54.** Documents and communications described in Paragraph 55 speak for themselves. Sable denies all allegations of unpermitted development contained in Paragraph 54, including without limitation the allegation that Coastal Commission-approved CDP No. E-88-1 and consistency concurrence CC No. CC-64-87 did not authorize span remediation work undertaken in 2024. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- Paragraph 55. Thus, on February 11, 2025, Commission staff issued a Notice of Violation letter directing Sable to immediately cease from performing any unpermitted development activities in state coastal waters (or elsewhere in the Coastal Zone) until and unless proper authorization is obtained.
- **Response 55.** Documents and communications described in Paragraph 55 speak for themselves. Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 55. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- Paragraph 56. Contrary to these claims, and as individually answered and described in greater detail in the Notice of Violation letter, the span remediation work conducted was not, and could not have been, pre-authorized by the permit in which the Commission issued for the original installation of the SYU Pipeline, nor was this work otherwise pre-authorized by the Commission. While the Commission has, on occasion in the past, specifically authorized future maintenance activities for certain projects it has approved, when it has done so, it is explicit about that, and it has not done so here.
- **Response 56.** Documents and communications described in Paragraph 56 speak for themselves. Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 56. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- **Paragraph 57.** Further, Mr. Moore's claim that the DPP requires the pipeline to be in "good working condition" or that the Pipeline must meet federal standards has no bearing on the question as to whether pre-authorization of specific work was granted. The Pipeline in question is not currently in service, have been purged off [sic] all oil and does not pose a risk of oil spill if not addressed.
- Response 57. Documents and communications described in Paragraph 57 speak for themselves. Sable denies each and every allegation contained in Paragraph 57. The requirement in the DPP to maintain the pipelines in good operating condition remains regardless of whether there is oil, gas or other materials in the pipelines. Further, the State Lands Commission leases also require that the offshore pipelines are kept in good order and repair and safe condition regardless of whether there is oil, gas or other materials in the pipelines. The span remediation work was necessary to comply with these state and federal requirements, which were in effect and contemplated by the Coastal Commission when it provided its

concurrence with the DPP's consistency certification and the CDP for the offshore pipelines. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.

- **Paragraph 58.** Mr. Moore's letter additionally asserts that inclusion of Commission staff on an email, sent from Exxon to a third party, 13 years ago, evidences the Commission's agreement with Sable's position that no further coastal act authorization is needed for this work. Again, this bears no evidence to support that the Commission pre-authorized future work or span remediation activities on the site.
- **Response 58.** Documents and communications described in Paragraph 58 speak for themselves. Sable denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 58. Further, past Commission staff conduct in considering similar work is relevant to whether staff is now acting arbitrarily. Please see Attachment A, Section IV.C.2.d, for additional background and support regarding Sable's denial.
- **Paragraph 59.** In order to resolve this violation, Sable must complete a CDP application seeking ATF authorization for the unpermitted span remediation activities that have already taken place in state coastal waters, and which addresses any necessary restoration, and payment of administrative penalties to resolve civil liability.
- **Response 59.** Sable denies that a CDP application for an ATF authorization is required, denies all allegations of unpermitted development and further denies each and every remaining allegation contained in Paragraph 59. Please see Attachment A, Section IV, for additional background and support regarding Sable's denial.
- Paragraph 60. I am hopeful that Sable will work with my staff to reach a consensual resolution of the entirety of this matter through a future Consent Cease and Desist Order and Restoration Order and Consent Administrative Penalty ("Consent Agreement"), which would then be taken to the California Coastal Commission ("Commission") for its approval in a formal public hearing. We are available to assist you in this process.
- **Response 60.** Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, as further addressed in Attachment A, Sections III.B.4 and III.C.6. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial. As Sable's representatives have discussed multiple times with Commission staff, Sable remains open to discussing a potential Consent Agreement, but Sable and Commission staff have not yet discussed the terms of such an agreement, including any potential Consent Administrative Penalty, and have not yet been provided with any proposed terms by Commission staff.
- Paragraph 61. Prior to bringing an order to the Commission, including a consent order, unless the requirement is waived, our regulations require notification of the initiation of formal proceedings. Therefore, in accordance with those regulations, this letter notifies you of my intent, as the Executive Director of the Commission, to commence formal enforcement proceedings to address the Coastal Act violations noted above by bringing to the Commission a recommendation for a Cease and Desist Order, Restoration Order, and assessment of an Administrative Penalty. The intent of this letter is not to discourage or supersede productive settlement discussions; rather it is to provide formal notice of our intent, consistent with our

regulations, to resolve these issues through the order process, which in no way precludes a consensual resolution. However, please note that should we be unable to reach an amicable resolution in a timely manner this letter also lays the foundation for Commission staff to initiate a hearing before the Commission unilaterally, during which a proposed order or orders, including an assessment of administrative penalties against you, would be presented for the Commission's consideration and possible adoption.

- **Response 61.** Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, or to impose an Administrative Penalty, as further addressed in Attachment A, Sections III.B.4, III.C.6, and IV.D. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial. Please also see Response 60 regarding a potential Consent Agreement.
- **Paragraph 62.** Again, if we are to settle this matter, such actions still must be addressed through this formal order process. This letter is intended to facilitate the resolution here, whether we address this matter through a consent or unilateral action, in providing you with the notice required under the Commission's Regulations; it in no way is intended to subvert the possibility of resolving this matter collaboratively.
- **Response 62.** Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, as further addressed in Attachment A, Sections III.B.4 and III.C.6. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial. Further, the Commission's Regulations speak for themselves. Please also see Response 60 regarding a potential Consent Agreement.
- **Paragraph 63.** The Commission's authority to issue Cease and Desist Orders is set forth in Section 30810(a) of the Coastal Act, which states, in part:

If the commission, after public hearing, determines that any person ... has undertaken, or is threatening to undertake, any activity that (1) requires a permit from the commission without securing the permit or (2) is inconsistent with any permit previously issued by the commission, the commission may issue an order directing that person ... to cease and desist. The order may also be issued to enforce any requirements of a certified local coastal program or port master plan, or any requirements of this division which are subject to the jurisdiction of the certified program or plan, under any of the following circumstances:

- (1) The local government or port governing body requests the commission to assist with, or assume primary responsibility for, issuing a cease and desist order.
- (2) The commission requests and the local government or port governing body declines to act, or does not take action within a timely manner, regarding an alleged violation which could cause significant damage to coastal resources.
- **Response 63.** Paragraph 63 quotes the Coastal Act, which speaks for itself. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, as further addressed in Attachment A, Sections III.B.4 and III.C.6. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- **Paragraph 64.** Section 30810(b) of the Coastal Act states that the cease and desist order may be subject to such terms and conditions that the Commission determines are necessary to ensure compliance with the Coastal Act, including removal of any items of unpermitted development.

- **Response 64.** Paragraph 64 summarizes the Coastal Act, which speaks for itself. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, as further addressed in Attachment A, Sections III.B.4 and III.C.6. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- **Paragraph 65.** Section 30600(a) of the Coastal Act states that, in addition to obtaining any other permit required by law, any person wishing to perform or undertake any development in the Coastal Zone must obtain a CDP through Section 35-169.2 of the County's certified LCP. As stated above, "Development" is defined by Section 30106 of the Coastal Act and Section 35-58 of the City's LCP.
- **Response 65.** Sable denies that any "City's LCP" is relevant to Sable's activities. To the extent Paragraph 65 is intended to quote and cite provisions of the County's LCP, Sable responds that the County's LCP speaks for itself. Paragraph 65 also summarizes and cites provisions of the Coastal Act, which speaks for itself.
- Paragraph 66. The various instances of unpermitted development at issue here clearly constitute "development" within the meaning of the above-quoted definition and therefore are subject to the permit requirement of Section 30600(a) and Section 312-3.1.5 of the County's certified LCP. A CDP has not been issued to authorize the unpermitted development, thus independent criteria for issuance of a cease and desist order under Section 30810(a) of the Coastal Act are thus satisfied.
- **Response 66.** Sable denies all allegations of Coastal Act violations and unpermitted development and further denies each and every remaining allegation contained in Paragraph 66, including without limitation that the criteria of Section 30810(a) of the Coastal Act have been satisfied, as further addressed in Attachment A, Sections III.B.4 and III.C.6. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- Paragraph 67. In addition to the aforementioned items, any resolution of this matter via Consent Agreement would also include settlement of monetary claims associated with your civil liability under the Coastal Act for these violations. If a consensual resolution is not reached, resolution of penalties under Section 30821.3 of the Coastal Act would be addressed unilaterally via an Administrative Penalty Action, as described below.
- **Response 67.** Sable denies all allegations of Coastal Act violations and unpermitted development and further denies each and every remaining allegation contained in Paragraph 67, including without limitation that the criteria of Section 30821.3 of the Coastal Act have been satisfied, as further addressed in Attachment A, Sections III.B.4, III.C.6, and IV.D. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial. Please also see Response 60 regarding a potential Consent Agreement.

Paragraph 68. Restoration Order

The Commission's authority to issue Restoration Orders is set forth in Section 30811 of the Coastal Act, which states, in part:

In addition to any other authority to order restoration, the commission...may, after a public hearing, order restoration of a site if it finds that the development has occurred without a

coastal development permit from the commission..., the development is inconsistent with this division, and the development is causing continuing resource damage.

Response 68. Paragraph 68 quotes the Coastal Act, which speaks for itself.

- **Paragraph 69.** Pursuant to Section 13191 of the Commission's regulations, I have determined that the activities specified in this letter meet the criteria of Section 30811 of the Coastal Act, based on the following:
 - 1. Development" as that term is defined by section 30106 of the Coastal Act, has occurred without a CDP from the Commission.

Response 69. Sable denies all allegations of Coastal Act violations and unpermitted development and further denies each and every remaining allegation contained in Paragraph 69, including without limitation that the requirements of Section 13191 of the Commission's regulations and Section 30811 of the Coastal Act have been met, as further addressed in Attachment A, Sections III.B.5, III.C.7, and IV.D. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.

Paragraph 70.

- 2. This unpermitted development is inconsistent with the resource protection policies of the Coastal Act including, but not necessarily limited to Coastal Act Section 30240 (protection of environmentally sensitive habitat areas), Section 30233 (protection of wetlands from filling), Section 30230 (protection of marine resources) and Section 30231 (protecting biological productivity).
- **Response 70.** Sable denies all allegations of Coastal Act violations and unpermitted development and further denies each and every remaining allegation contained in Paragraph 70. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.

Paragraph 71.

- 3. The unpermitted development remains in place and/or unaddressed and therefore continues to cause resource damage, which is defined by Section 13190 of the Commission's regulations as: "any degradation or other reduction in quality, abundance, or other quantitative or qualitative characteristic of the resource as compared to the condition the resource was in before it was disturbed by unpermitted development." The unpermitted development continues to exist and therefore, it continues to cause damage to resources and prevent the Coastal Act resources that were displaced from re-establishing, and it continues to cause degradation and reduction in quality of surrounding resources as compared to their condition before the unpermitted development occurred.
- Response 71. Sable admits that the development referenced in Paragraph 71 remains in place, but denies the allegation that such development has caused or continues to cause resource damage. Sable denies all allegations of Coastal Act violations, unpermitted development, and further denies each and every remaining allegation contained in Paragraph 71. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.

- **Paragraph 72.** For the reasons stated above, I am therefore issuing this "Notice of Intent" letter to commence proceedings for a Restoration Order before the Commission in order to require the restoration of the Property. The procedures for the issuance of Restoration Orders are described in Sections 13190 through 13197 of the Commission's regulations, which are codified in Title 14 of the California Code of Regulations.
- Response 72. Paragraph 72 cites provisions of the Coastal Commissions' regulations, which speak for themselves. Sable denies that the Commission possesses the authority to issue any Restoration Order, as further addressed in Attachment A, Sections III.B.5, III.C.7, and IV.D, and further denies each and every remaining allegation contained in Paragraph 72. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.

Paragraph 73. Administrative Civil Penalties, Civil Liability, and Exemplary Damages

Under Section 30821.3 of the Coastal Act, in cases involving violations of the Coastal Act, the Commission is authorized to impose administrative civil penalties by a majority vote of the Commissioners present at a public hearing. In this case, as described above, there are multiple violations of the resource protection provisions of the Coastal Act; and therefore, the criteria of Section 30821.3 have been satisfied. The penalties imposed may be in an amount up to \$11,250, for each violation, for each day each violation has persisted or is persisting, for up to five (5) years. In addition, the 60-day time period to correct a violation that is allowed under the statute does not apply to violations of a CDP. If a person fails to pay an administrative penalty imposed by the Commission, under 30821.3(e) the Commission may record a lien on that person's property in the amount of the assessed penalty. This lien shall be equal in force, effect, and priority to a judgment lien.

- Response 73. Paragraph 73 summarizes and cites to provisions of the Coastal Act, which speak for themselves. Sable denies all allegations of Coastal Act violations and unpermitted development and further denies each and every remaining allegation contained in Paragraph 73, including without limitation that the requirements of Paragraph 73's cited provisions of the Coastal Act have been met, as discussed further in Attachment A, Sections III.B.5, III.C.7, and IV.D. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.
- Paragraph 74. The Coastal Act also includes several other penalty provisions that may be applicable as well. Section 30820(a)(1) provides for civil liability to be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with any CDP previously issued by the Commission in an amount that shall not exceed \$30,000 and shall not be less than \$500 for each instance of development that is in violation of the Coastal Act. Section 30820(b) provides that additional civil liability may be imposed on any person who performs or undertakes development without a CDP and/or that is inconsistent with any CDP previously issued by the Commission when the person intentionally and knowingly performs or undertakes such development. Civil liability under Section 30820(b) shall be imposed in an amount not less than \$1,000 per day and not more than \$15,000 per day, for each violation and for each day in which each violation persists. Section 30821.6 also provides that a violation of a Cease and Desist Order of the Commission can result in civil liabilities of up to \$6,000 for each day in which each violation persists. Lastly, Section 30822 provides for additional exemplary damages for intentional and knowing violations of the Coastal Act or a Commission Cease and Desist Order.

Response 74. Paragraph 74 summarizes the Coastal Act, which speaks for itself. Sable denies each and every allegation contained in Paragraph 74, including without limitation that the requirements of Paragraph 74's cited provisions of the Coastal Act have been met, as discussed further in Attachment A, Sections III.B.5, III.C.7, and IV.D. Sable undertook all onshore work pursuant to lawfully issued coastal development permits and the County's confirmation that no further authorization was required. Further, Sable undertook all offshore work pursuant to a lawfully issued coastal development permit. As such, Sable denies that its work constituted an intentional and knowing violation of the Coastal Act. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial.

Paragraph 75. Response Procedure

In accordance with Sections 13181(a) and 13191 of the Commission's regulations, you have the opportunity to respond to the Commission staff's allegations as set forth in this notice of intent to commence Cease and Desist and Restoration Order proceedings by completing the enclosed statement of defense ("SOD") form. The SOD form would be directed to the attention of Stephanie Cook, no later than March 10, 2025.

- **Response 75.** Paragraph 75 speaks for itself and requires no response. Please see Attachment A for additional background and support regarding Sable's SOD, which Sable submitted to Commission staff on March 10, 2025.
- Paragraph 76. We remain hopeful that we can reach an agreeable solution and that a Consent Order will fully address this matter so that we will not have to resort to bringing a formal action before our Commission. This additional notice to commence Commission proceedings is to give us options for the possibility that Sable fails to comply with the Consent Order or that the actions required in the Consent Order do not completely resolve the violations. Therefore, should this matter be resolved via the Consent Order (or if we do have to proceed with a Commission action and we are able to still resolve this matter via a Consent Commission Order), an SOD form would not be necessary. In any case and in the interim, staff would be happy to accept any information you wish to share regarding this matter and staff can extend deadlines for submittal of the SOD form to account for the goal of resolving this via this Consent Order and specifically allow additional time to discuss terms of Commission consent orders if that is necessary. If it is necessary, Commission staff would schedule the hearings for the Cease and Desist and Restoration Order for the Commission's April or May 2025 hearing. Again, we are hopeful that this matter can be fully resolved by compliance with this Consent Order and there will not be a need to commence a formal proceeding before the Commission.
- Response 76. Commission staff's representations in Paragraph 76 speak for themselves. Sable denies that the Commission possesses the authority to issue any Cease and Desist Orders, as further addressed in Attachment A, Sections III.B.4 and III.C.6, and further denies each and every remaining allegation contained in Paragraph 76. Please see Attachment A, Sections III and IV, for additional background and support regarding Sable's denial. Sable notes that it requested a two-day extension from the deadline stated in Paragraph 75 in order to negotiate a potential Consent Order with Commission staff, but Commission staff denied Sable's request.
- **Paragraph 77.** For additional information you may contact Stephanie Cook at (415) 904-5220, Stephanie. Cook@Coastal.ca.gov, or at our Headquarters Enforcement Office at:

California Coastal Commission Attn: Stephanie Cook 455 Market Street, Suite 300 San Francisco, CA 94105

- **Response** 77. Paragraph 77 speaks for itself and requires no response.
- **Paragraph 78.** Again, we remain willing and available to work with you to resolve these matters quickly and amicably and look forward to hearing from you.
- **Response 78.** Paragraph 78 speaks for itself and requires no response.

Attachment D – Documents and Evidence

This Attachment D includes the documents and evidence supporting Sable's narrative explanation in Attachment A and specific responses to the allegations in Attachment C. These documents should be made part of the administrative record for this proceeding and address questions 4 and 6 of the Statement of Defense form.

Doc.	Date	Author	Title
1.	1984/06	Minerals Management	Final Environmental Impact Statement/Report for Santa Ynez
		Service (MMS)	Unit Las Flores Canyon Development and Production Plan
2.	1984/08	State Lands Commission	Draft Environmental Impact Report/Environmental Impact
		(SLC) and Bureau of	Statement for Celeron All American and Getty Pipeline
		Land Management (BLM)	Projects
3.	1985/01	SLC and BLM	Final Environmental Impact Report/Environmental Impact
			Statement for Celeron All American and Getty Pipeline
			Projects
4.	1985/09/20	MMS	Development and Production Plan Approval
5.	1986/03/03	County of Santa Barbara	Planning Commission Action for Celeron Pipeline Project
		(County)	
6.	1986/07/27	County	County Coastal Development Permit 86-CDP-189
7.	1986/08/05	County	County Coastal Development Permit 86-CDP-205
8.	1987/09	Exxon Company, U.S.A.	Development and Production Plan (Cumulative Updates)
		(Exxon)	Santa Ynez Unit Development
9.	1988/01/21	SLC	Lease No. 7163.1
10.	1988/02/08	County and Celeron	Settlement Agreement
		Pipeline Company of	
		California	
11.	1988/2/23	Coastal Commission	Staff Recommendation on Permit and Consistency
		(CCC)	Certification
12.	1988/03/17	CCC	Letter to Exxon from Coastal Commission, attaching
			Consistency Certification Concurrence and CDP
13.	1988/04/04	MMS	Development and Production Plan Approval
14.	1989/8/30	SLC	Lease PRC 4977.1

Doc.	Date	Author	Title
15.	1989/10	Exxon	Final Comprehensive Plan for Marine Biological Impact
			Reduction and Mitigation in Nearshore Waters of Las Flores
			Canyon
16.	1990/03/30	CCC	Compendium of California Coastal Commission Decisions
			Under the Federal Consistency Provisions
17.	1990/07/27	County	County Coastal Development Permit 90-CDP-175
18.	1992/06	MMS	Deepwater Pipeline Maintenance and Repair Manual Prepare
			for U.S. Department of the Interior Minerals Management
			Service
19.	1995/10/30	County	County Land Use Permit No. 95-LUS-418
20.	1998/03/03	County	County Coastal Development Permit 97-CDP-255
21.	2000/09/19	County	County Coastal Development Permit 00-CDP-169
22.	2010/12/09	CCC	Notice of Coastal Development Permit Waiver – De Minimis
23.	2011/07/07	Exxon	Letter to SLC re: Minor Maintenance and Repair of
			Emulsion, Gas, and Water Pipeline Spans
24.	2012/01/27	Exxon	Letter to SLC re: Minor Maintenance and Repair of
			Emulsion, Gas, and Water Pipeline Spans
25.	2014/04/02	County	County Land Use Permit No. 14LUP-00000-00035
26.	2014/05/28	County	County Land Use Permit No. 14LUP-00000-00168
27.	2014/02/24	County	County Zoning Clearance No. 14ZCI-0000-00086
28.	2014/10	Bureau of Safety and	BSEE Update of Pacific OCS Region Pipelines
		Environmental	
		Enforcement (BSEE)	
29.	2015/07/08	CCC	Legislative Report for July 2015: Bill Analysis: AB 864
			(Williams)
30.	2015/09/01	California Senate Rules	Third Reading: Assembly Bill 864
		Committee	
31.	2015/11/25	County	County Zoning Clearance No. 14ZCI-00000-00121
32.	2017/07/18	SlingBag	SlingBag Product Description
33.	2018/03	Quikrete	Burlap SlingBag Brochure
34.	2018/10/31	CalFIRE	Standardized Regulatory Impact Assessment: Requirements
			for New, Replacement, or Existing Pipelines Near

Doc.	Date	Author	Title
			Environmentally and Ecologically Sensitive Areas in the
			Coastal Zone
35.	2020/03/13	U.S. District Court,	Consent Decree issued in <i>United States of America and the</i>
		Central District of	People of the State of California v. Plains All American
		California	<i>Pipeline, L.P. and Plains Pipeline, L.P.</i> , Case No. 2:20-cv-02415
36.	2020/10/05	SCS	Line 901 & Line 903 Replacement Project: 2nd Revised
			Biological Resources Assessment
37.	2021/01	American Petroleum	API RP 1111, Design, Construction, Operation, and
		Institute	Maintenance of Offshore Hydrocarbon Pipelines (Limit State
			Design)
38.	2022/07/07	County	Zoning Administrator Staff Report, Plains Line 901-903
			Valve Upgrade Project
39.	2022/08/22	County	Zoning Administrator Action Summary
40.	2022/10/18	CCC	Notice of Coastal Development Permit De Minimis Waiver
			Coastal Act Section 30624.7
41.	2023/03/01	County	Planning Commission Staff Report, Gaviota Coast
			Conservancy & GreyFox, LLC Appeal of Plains Valve
			Upgrade Project, Attachment C-1: Draft Addendum to Final
			Environmental Impact Report / Environmental Impact
			Statement, SCH No. 1983110902 – Plains Pipeline 901/903
			Valve Upgrade Project
42.	2023/04/26	County	Planning Commission Action Summary
43.	2023/08/24	County	Board of Supervisors Action Summary
44.	2023/12/5	SLC	Amendment of Leases Nos. PRC 7163 and PRC 4977
45.	2024/07	Aqueos	Sable Offshore Santa Ynez Unit (SYU) to Shore External
			Subsea Pipeline Inspection Report State Waters to Shore
46.	2024/08/30	County and Sable	Conditional Settlement Agreement and Release
		Offshore Corp. (Sable)	
47.	2024/09/04	County	Letter from Errin Briggs to J. Caldwell Flores
48.	2024/09/27	CCC	Notice of Violation V-9-24-0152
49.	2024/10	Sable	Execution Plan – Pipeline Span Mitigations

Doc.	Date	Author	Title
50.	2024/10/04	CCC	Letter re: "Confirmation of Suspension of Current
			Operations"
51.	2024/10/08	Latham & Watkins LLP	Letter re: "Sable Offshore Corporation Notice of Violation
		(LW) on behalf of Sable	(V-9-24-0152) – Responses to October 4, 2024 Letter"
52.	2024/10/11	Sable	Map re: "Coastal Zone Open Digs"
53.	2024/10/14	Sable	Cross Section of Anomaly Repair Work
54.	2024/10/22	LW on behalf of Sable	Letter re: "Sable Offshore Corporation Notice of Violation (V-9-24-0152) – Request to Complete Interim Work"
55.	2024/10/29	Spire Engineering	SYU Expansion Pipelines Seismic Vulnerability Review and POPCO Pipeline Seismic Vulnerability Assessment
56.	2024/10/30	County	Las Flores Pipeline System Final Development Plan Conditions
57.	2024/11	Sable	SYU in State Waters Span Investigation 2024 ROV Inspection Survey Post-Plot
58.	2024/11/12	CCC	Executive Director Cease and Desist Order ED-24-CD-02
59.	2024/11/15	David Wolff	Sable Offshore Corp. – Pacific Pipeline Company: Line 324
55.	2021/11/12	Environmental, LLC	Open Anomaly Site Interim Restoration Plan
		(DWE) and SCS	
		Engineers (SCS) on	
		behalf of Sable	
60.	2024/11/19	Sable	Letter to SLC re: Santa Ynez Unit Pipeline Span Remediation
61.	2024/11/20	CCC Staff	Letter re: "Sable Interim Restoration Plan Requested
			Revisions"
62.	2024/11/20	DWE and SCS on behalf	Sable Offshore Corp. – Pacific Pipeline Company: Line 324
		of Sable	Open Anomaly Site Interim Restoration Plan (Updated
			11.20.2024)
63.	2024/11/20	CCC	Letter re: "Executive Director Approval of Remedial Grading
			and BMPs Segments of Sable Interim Restoration Plan"
64.	2024/11/21	CCC	Letter re: "Plant Palette for Hydroseed Mix – Sable Interim
			Restoration Plan"
65.	2024/11/22	SCS on behalf of Sable	Zoning Clearance Application for Open Anomaly Sites
66.	2024/11/22	Sable	Map re: Coastal Zone Open Digs

Doc.	Date	Author	Title
67.	2024/11/26	SLC	Letter re: "Sable Santa Ynez Unit – Emulsion, Gas and Water
			Pipelines Span Remediation Project"
68.	2024/11/27	Sable	Letter re: "Sable Santa Ynez Unit- Emulsion, Gas and Water
			Pipelines Span Remediation Project – Additional Information
			Request," with Attachments
69.	2024/11/27	SLC	Email re: SYU Pipeline – Span Remediation – Request for
			Information
70.	2024/11/27	DWE and SCS on behalf	Sable Offshore Corp. – Pacific Pipeline Company: Line 324
		of Sable	Open Anomaly Site Interim Restoration Plan (Updated
			11.27.2024)
71.	2024/12/04	SLC	Letter re: Sable Santa Ynez Unit – Emulsion, Gas and Water
			Pipelines Span Remediation Project
72.	2024/12/04	DWE and SCS on behalf	Sable Offshore Corp. – Pacific Pipeline Company: Line 324
		of Sable	Open Anomaly Site Interim Restoration Plan (Updated
			12.4.2024)
73.	2024/12/05	CCC	Letter re: "Executive Director Approval of Hydroseeding
			Segment of Sable Interim Restoration Plan"
74.	2024/12/06	SCS on behalf of Sable	Zoning Clearance Applications for Planned Anomaly Sites
75.	2024/12/06	Sable	Map re: Coastal Zone Planned Digs
76.	2024/12/11	CCC	Email re: "Extension for Completion of Hydroseeding
			Segment of Interim Restoration Plan"
77.	2024/12/17	Office of State Fire	Letters of Decision on the State Waiver Requests for Limited
		Marshal (OSFM)	Effectiveness of Cathodic Protection on Thermally Insulated
			Pipeline and Corrosion of or Along a Longitudinal Seam
			Weld (CA-324 and CA-325A/B)
78.	2024/12/19	Pacific Pipeline Company	Final Completion Report: Line 324 Anomaly Site Interim
		(PPC)	Restoration Plan
79.	2025/01/15	LW on behalf of Sable	Letter re: "Justification for Santa Ynez Unit (SYU) Pipeline
			Span Remediation Under Existing Development and
			Production Plan, Coastal Development Permit No. E-88-1,
			and Consistency Certification No. CC-64-87"

Doc.	Date	Author	Title
80.	2025/01/30	Sable	Santa Ynez Unit Pipeline Span Remediation Report, with Attachments
81.	2025/02/11	CCC	Notice of Violation V-9-25-0013
82.	2025/02/11	Pipeline and Hazardous Materials Safety Administration (PHMSA)	Letters re: Docket Nos. PHMSA-2025-0002 and PHMSA-2025-0003
83.	2025/02/12	County	Letter re: "Sable Offshore Corp. – California Coastal Commission (CCC) Consolidated Permit Request"
84.	2025/02/12	County	Letter re: "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096"
85.	2025/02/14	CCC	Letter re: "Santa Barbara County Planning and Development Response to Sable Offshore Corporation Zoning Clearance Applications and California Coastal Commission Consolidated Permit Request"
86.	2025/02/14	LW on behalf of Sable	Letter re: "Sable Offshore Corp. Notice of Violation (V-9-24-0152) for Las Flores Pipelines Ca-324 and Ca-325, Santa Barbara County"
87.	2025/02/16	CCC	Letter re: "Dispute Resolution under California Code of Regulations, Title 14, Section 13569 regarding activities of Sable Offshore Corp. Identified In California Coastal Commission's November 12, 2024 Executive Director Cease and Desist Order"
88.	2025/02/16	CCC	Letter re: "Notice Prior to Issuance of Executive Director Cease and Desist Order"
89.	2025/02/17	LW on behalf of Sable	Letter re: "Sable Offshore Corp. Response to Notice Prior to Issuance of Executive Director Cease and Desist Order"
90.	2025/02/18	CCC	Executive Director Cease and Desist Order No. ED-25-CD-01 and Notice of Intent to Commence Proceedings for a Commission Cease and Desist Order, Restoration Order, and Administrative Penalty Order

Doc.	Date	Author	Title
91.	2025/02/24	County	Letter re: "Sable Offshore Corp. – California Coastal Commission's (CCC) Reference to Dispute Resolution Process"
92.	2025/03/06	SCS on behalf of Sable	Materials Regarding Completed Anomaly Repair Sites