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Date Filed:	1/25/05
60 <sup>th</sup> Day:	3/27/05
Staff:	RTB-SF
Hearing Date:	2/16/05
Approved:	12-0

**FINAL ADOPTED FINDINGS**

**TO:** Commissioners and Interested Persons

**FROM:** Alison Dettmer, Manager, Energy and Ocean Resources Unit  
Robin Blanchfield, Coastal Energy Analyst

**SUBJECT:** **Santa Barbara County Local Coastal Program Amendment  
No. SB-MAJ-2-04 Part B: Removal of Abandoned Onshore Oil and Gas  
Facilities Supporting Offshore Oil Production**

*Staff Note*

*Originally, SB-MAJ-2-04 Parts A and B were both scheduled for the Coastal Commission's (Commission) February 16, 2005 hearing. However, the Coastal Commission postponed Part A until the Commission's April hearing in order to allow the staff more time to work with the County to address issues raised by the Western States Petroleum Association. On February 16, 2005, the Commission certified, by a vote of 12-0, Amendment SB-MAJ-2-04 Part B, as submitted by Santa Barbara County. Accordingly, these Final Adopted Findings have been revised to reference only the approved findings and resolutions for SB-MAJ-2-04 Part B.*

**EXECUTIVE SUMMARY**

Santa Barbara County submitted Local Coastal Program (LCP) amendment package SB-MAJ-2-04 (A), (B), (C) and (D), which consists of four amendments to the Land Use Plan/Coastal Plan (LUP/CP) and to the Implementation Plan/Coastal Zoning Ordinance (IP/CZO). SB-MAJ-2-04 Part (B) is the subject of this staff report.

Amendment SB-MAJ-2-04 Part (B) proposes to add new LUP/CP policies and IP/CZO ordinances to ensure the timely removal of abandoned onshore oil and gas facilities supporting

offshore oil production. Part (B) qualifies as a major amendment pursuant to the requirement of 14 CCR §13555 (b), and was deemed complete and filed on January 25, 2005.<sup>1</sup>

## **BACKGROUND AND DESCRIPTION OF AMENDMENT SUBMITTAL**

Historically, the County has experienced mixed results regarding the timely demolition of oil and gas facilities and reclamation of their host sites following the permanent cessation of use (*i.e.*, otherwise known as “abandonment”). To date, the removal of oil and gas facilities has varied widely on a case-by-case basis, because facility removal and site reclamation was included as a condition of the coastal development permit (CDP) granted for the construction and operation of the facilities.

As a result of this approach, some operators diligently closed sites within 3-5 years following abandonment, while others delayed commencement of demolition and reclamation activities for unreasonably long periods (10-26 years). In other cases, permittees have removed facilities in a timely manner but then delayed reclamation of the sites for several years when relatively high levels of contamination were discovered. In still other cases, permittees combined the removal of facilities and reclamation of the host site with the permitting of a new use at the host site. This latter case has become problematic when the new development encounters permitting delays or outright denial, which further delays site reclamation.

The main effect of the proposed amendments in SB-MAJ-2-04 Part (B) will be the creation of a more precise, dedicated Demolition and Reclamation (D&R) permitting process, with its own set of performance standards governing facility removal and site reclamation activities. The facility operator will still be required to get a new CDP for the demolition and reclamation activities because they constitute development. However, the new CDP will incorporate the specific demolition and reclamation standards set forth in the D&R permit, which are not available in the existing certified ordinances governing the construction and operation of oil and gas facilities. The D&R permit process also establishes a one-year timeline after a facility has been idled in which the operator must apply for either a Deferral of Abandonment or a D&R permit, and holds permittees accountable for timely execution of demolition and reclamation.

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<sup>1</sup> All four SB-MAJ-2-04 Parts (A), (B), (C), and (D) qualify as major amendments pursuant to the requirement of 14 CCR §13555(b), and all were deemed complete and filed on January 25, 2005.

Part (A) proposes to update the County’s oil transportation policies and regulations in the County’s LUP/CP and IP/CZO to conform to new provisions in Coastal Act Section 30262(a)(7) (amended by stats. 2003, Chapter 420 (AB 16)) and has been scheduled for the Commission’s April hearing.

Parts (C) and (D) consist of two non-energy related amendments: (a) revisions to change the land-use and zoning designations from Planned Residential Development to Recreation; and (b) revisions to the Goleta Community Plan of the LCP for the purpose of incorporating the Ellwood-Devereaux Open Space Plan. The Commission’s South Central Coast District Office staff will prepare the staff report and recommendations for Parts (C) and (D) for a future Commission hearing.

The permitting process, as proposed in SB-MAJ-2-04 Part (B), works as follows. The permittee of an oil and gas operation/land use that has been idled (not operating) for one year, or whose throughput has fallen below a minimum permitted level is required to apply for either: (1) a deferral of abandonment; or (2) a Demolition and Reclamation Permit (D&R) to remove its facilities and reclaim the host site. The County's Director of Planning and Development (Planning Director) processes either application. Any denial of an application to defer abandonment must fully consider the vested rights of the permittee to operate a legal land use. However, the permittee generally does not have a vested right to convert an oil and gas operation into a salvage yard without permits. Deferrals of abandonment are revisited every two years. All decisions may be appealed to the County's Planning Commission and, ultimately, the County Board of Supervisors.

A summary of Santa Barbara County's proposed LUP/CP policies and IP/CZO regulations is provided below, with full text provided in Exhibit A.

- (1) Add new *Policy 6-30* and revise the preamble to the LUP/CP's *Chapter 3.6 Industrial and Energy Development* to promote timely and proper removal of certain oil and gas facilities upon their abandonment.
- (2) Add new Section 35-170 to CZO Division 11 (*Permit Procedures*) to establish new permit procedures for the timely abandonment and proper removal of certain oil and gas land uses.
- (3) Revise the permit requirements in CZO Section 35-158 (*On-Shore Exploration and/or Production of Offshore Oil and Gas Reserves*) of Division 9 (*Oil and Gas Facilities*) to be consistent with the new CZO Section 35-170.
- (4) Revise the appeal procedures in CZO Section 35-327 (*Appeals*).
- (5) Add new definitions in CZO Division 2 for "abandonment," "idled," "natural conditions," "permitted land use," and "reclamation."

#### **COMMISSION ACTION**

On February 16, 2005, the Commission certified, by a vote of 12-0, LCP Amendment SB-MAJ-2-04 Part (B), as submitted by Santa Barbara County.

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## EXHIBITS

### **EXHIBIT A: Text of New Policies and Ordinances for Ensuring Timely Removal of Abandoned Oil and Gas Facilities Supporting Offshore Oil Production . . A-1**

1. Resolution No. 04-263, *In the Matter of Adopting An Amendment to the Coastal Plan, Adding a New Section and Policy to Chapter 3.6 "Industrial and Energy Development," Promoting Timely and Proper Abandonment for Certain Oil and Gas Facilities.* (New policy section is entitled "Infrastructure Related to Recovery of Offshore Oil and Gas.") . . . . . A-2
2. Ordinance No. 4550, Case No. 04-ORD-0000-00008, *An Ordinance Amending the Santa Barbara County Code by Revising Article II of Chapter 35, titled Coastal Zoning Ordinance.* (Revision of ordinance and addition of new section 35-170 entitled "Abandonment of Certain Oil/Gas land Uses") . . . . . A-5

## **1.0 RESOLUTIONS FOR APPROVAL**

On February 16, 2005, by a vote of 12-0, the Coastal Commission adopted the following resolution:

### **1.1. RESOLUTION TO CERTIFY LAND USE PLAN AMENDMENT SB-MAJ-2-04 PART (B) AS SUBMITTED**

*The Commission hereby **certifies** the Land Use Plan Amendment SB-MAJ-2-04 Part (B) as submitted by the County of Santa Barbara and adopts the findings set forth below on the grounds that the amendment conforms to the policies of Chapter 3 of the Coastal Act. Certification of the Land Use Plan amendment complies with the California Environmental Quality Act because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the plan on the environment, or 2) there are no further feasible alternatives or mitigation measures which could substantially lessen any significant adverse impact which the Land Use Plan Amendment may have on the environment.*

### **1.2. RESOLUTION TO CERTIFY IMPLEMENTATION PLAN AMENDMENT SB-MAJ-2-04 PART (B) AS SUBMITTED**

*The Commission hereby **certifies** the County of Santa Barbara implementation program/coastal zoning ordinance amendment SB-MAJ-2-04 Part (B) as submitted and adopts the findings set forth below on grounds that the implementation program conforms with, and is adequate to carry out, the provisions of the certified land use plan, and that certification of the implementation program will meet the requirements of the California Environmental Quality Act, because either 1) feasible mitigation measures and/or alternatives have been incorporated to substantially lessen any significant adverse effects of the implementation program on the environment, or 2) there are no further feasible alternatives or mitigation measures that would substantially lessen any significant adverse impacts on the environment that will result from certification of the implementation program.*

## **2.0 PROCEDURAL ISSUES**

### **2.1. STANDARDS OF REVIEW**

Coastal Act Section 30512.1(c) provides:

*The commission shall certify a land use plan, or any amendments thereto, if it finds that a land use plan meets the requirements of, and is in conformity with, the policies of Chapter 3 (commencing with Section 30200)*

Coastal Act Section 30513 provides:

*The local government shall submit to the commission the zoning ordinances, zoning district maps, and, where necessary, other implementing actions which are required pursuant to this chapter.*

...

*The Commission may only reject ordinances, zoning district maps, or other implementing action on the grounds that they do not conform with, or are inadequate to carry out, the provisions of the certified land use plan. If the commission rejects the zoning ordinances, zoning district maps, or other implementing actions, it shall give written notice of the rejection, specifying the provisions of [the] land use plan with which the rejected zoning ordinances do not conform or which it finds will not be adequately carried out together with its reasons for the action taken.*

The amendment proposed affects the LUP/CP and IP/CZO components of the certified Santa Barbara County LCP. The standard of review for land use plan (LUP/CP) amendments is consistency with the policies of Chapter 3 of the Coastal Act. Implementation Plan (IP/CZO) amendments must conform to, and be adequate to carry out, the policies of the certified Santa Barbara County LUP/CP. All Chapter 3 policies of the Coastal Act have been incorporated in their entirety in the certified County LUP/CP as guiding policies pursuant to Policy 1-1 of the LUP.

## **2.2. PUBLIC PARTICIPATION**

Section 30503 of the Coastal Act requires public input in the preparation, approval, certification and amendment to any LCP.

For the proposed abandonment policies and regulations, the County held two County Planning Commission hearings (11/6/2000, and 7/7/2004) and three Board of Supervisor hearings (9/21/2004, 10/19/2004, and 10/26/2004). These public hearings were noticed to the public consistent with Sections 13552 and 13551 of the California Code of Regulations. Notice of the subject LCP amendment components was distributed to all known interested parties. The County received verbal and written comments from concerned parties and members of the public.

The County did not conduct any formal public workshops, however, the County staff met with key industry stakeholders (*i.e.*, Western States Petroleum Association (WSPA) and the oil company Greka<sup>2</sup>) and environmental advocacy stakeholders (*i.e.*, Environmental Coalition<sup>3</sup>) over a period of two years to discuss various concepts and drafts of policies and regulations

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<sup>2</sup> Greka is the only oil company that is not represented by WSPA, but is also affected by the proposed abandonment ordinance.

<sup>3</sup> The Environmental Coalition is a broad group formed and led by the Environmental Defense Center to track oil and gas leasing and development. Members include Citizens for Goleta Valley, local chapters of the Sierra Club and League of Women Voters, Citizens Planning Association, and Get Oil Out.

concerning the removal of abandoned oil and gas facilities. All the stakeholders expressed greater satisfaction with the foregoing method of soliciting input on the draft policies and ordinances prior to public hearings.

### **2.3. PROCEDURAL REQUIREMENTS**

Pursuant to Section 13551 (b) of the California Code of Regulations, the County may submit a local coastal program amendment that will either require formal local government adoption after the Commission approval, or is an amendment that will take effect automatically upon the Commission's approval pursuant to Public Resources Code Sections 30512, 30513, and 30519. The County's Board of Supervisors' Resolution 04-304 provides that LCP amendment SB-MAJ-2-04 Part (B) will take effect immediately upon the Commission's approval.

## **3.0 FINDINGS AND DECLARATIONS FOR SB-MAJ-2-04 PART B: REMOVAL OF ABANDONED OIL AND GAS FACILITIES**

### **3.1. BACKGROUND**

The County's existing LUP/CP policies and IP/CZO ordinances do not define or require due diligence for the timely removal of abandoned facilities and reclamation of the host sites for those onshore oil and gas operations that supported development of offshore oil and gas reserves. To date, the removal of oil and gas facilities has varied widely on a case by case basis, because facility removal and site reclamation was included as a condition of the coastal development permit (CDP) granted for the construction and operation of the facilities.



















Consequently, the County often finds itself dependent upon the good faith of each permittee to remove facilities and reclaim host sites following permanent cessation of operations. Some permittees diligently removed facilities and reclaimed host sites following abandonment, but others have not. In one case, the permittee completed removal and reclamation obligations (not including post-abandonment monitoring of re-vegetation) within three years of ceasing operations. In another case involving a very similar operation, the permittee did not commence facility dismantlement and site reclamation until 26 years following permanent cessation of use.

In some cases, permittees have removed facilities in a timely manner but delayed reclamation of the sites for several years when relatively high levels of contamination were discovered. In other cases, the removal of facilities and reclamation of the host site have been combined with the permitting of a new use at the host site. This latter practice has become problematic when the new development encounters permitting delays or outright denial, which further delays site reclamation.

The incidence of idled and abandoned oil and gas infrastructure increased during the 1990s, as older offshore fields were depleted of economically recoverable reserves. Currently within the County, five downstream facilities, along with several inter-facility pipelines, support offshore oil and gas development (Table 1). There is a need for clearer, enforceable policies and regulations to help to narrow the scope of abandonment and reclamation possibilities in favor of more specific and timely practices.



**Table 1: Projected Future Decommissioning of Onshore Facilities Downstream of Offshore Oil and Gas Fields<sup>4</sup>**

Downstream Facility	Projected Termination of Operations*			
	2001-2005	2006-2010	2011-2015	Beyond
Ellwood Marine Terminal				
Las Flores Canyon Processing Facilities				
Gaviota Pipeline Terminal (north of 101)				
Gaviota Oil Terminal (south of U.S. 101)				
Lompoc Processing Facility				
 = operations active		 = operations terminated		

Seven other facilities have ceased operations, most of which are either actively removing facilities or reclaiming sites, reflecting a reduction in offshore production. These facilities include Unocal's Battles Gas Plant, Cojo Bay Marine Terminal, and Government Point production and processing facility, ARCO's Alegria processing facility and Dos Pueblos production/processing site, Harvest's Molino gas exploratory project, and Chevron Texaco's Hollister Ranch inter-facility pipelines.

Additionally, the County currently hosts one oil refinery outside the coastal zone – the Santa Maria Asphalt Refinery west of Santa Maria – that manufactures asphalt and a few other petroleum products from heavy crude oil. It can receive crude oil from onshore fields both in and outside the County.

Amendment SB-MAJ-2-04 Part (B) proposes a more precise, dedicated permitting process — with its own set of performance standards — that will enable the County to enforce the timely and proper closure of specific types of onshore oil/gas operations that support offshore oil once they have discontinued use permanently (*i.e.*, been abandoned). Affected operations include onshore infrastructure used to produce, process, store, or transport oil, gas, and byproducts from offshore reserves.

<sup>4</sup> Minerals Management Service, *California Offshore Oil and Gas Energy Resources*; and other more recent information obtained from operators. These projections are rough approximations, subject to variation.

### **3.2. DESCRIPTION OF AMENDMENTS TO LUP/CP POLICIES AND IP/CZO ORDINANCES**

The permitting process proposed in SB-MAJ-2-04 Part (B) works as follows. The permittee of an oil and gas operation/land use that has been idled (not operating) for one year, or whose throughput has fallen below a minimum permitted level is required to apply for either: (1) a deferral of abandonment; or (2) a Demolition and Reclamation Permit to remove its facilities and reclaim the host site. The County's Director of Planning and Development (Planning Director) processes either application. Any denial of an application to defer abandonment must fully consider the vested rights of the permittee to operate a legal land use. However, the permittee generally does not have a vested right to convert an oil and gas operation into a salvage yard without permits. Deferrals of abandonment are revisited every two years. All decisions may be appealed to the County's Planning Commission and, ultimately, the County Board of Supervisors.

The first permitting option, Deferral of Abandonment, is suited to temporarily idled operations, where there is demonstrated evidence of intent to restart the oil and gas operations. If approved by the Director, the matter of deferral, including the relevance of the evidence and need for such deferral, is revisited every two years, unless the Planning Director approves a shorter period.

The second permitting option, Demolition and Reclamation (D&R), comprises a dedicated permitting path, with specific standards, to process the removal of facilities and reclamation of the host sites following their abandonment. The facility operator will still be required to get a new CDP for the demolition and reclamation activities because those activities constitute development. However, the new CDP will incorporate the specific demolition and reclamation standards set forth in the D&R permit, which are not available in the existing certified ordinances governing the construction and operation of oil and gas facilities. This permitting path also establishes a one-year timeline after a facility has been idled in which the operator must apply for either a Deferral of Abandonment or a D&R permit, and holds permittees accountable for timely execution of demolition and reclamation.

A brief summary of the proposed amendments to the LUP/CP and IP/CZO are provided below in Sections 3.2.1 and 3.2.2., respectively. Full text of the amendments is provided in Exhibit A.

#### **3.2.1. Summary of Proposed Amendments to LUP/CP**

Add new section 3.6.8 *Abandonment of Onshore Infrastructure* and new Policy 6-30 to the LUP/CP's Chapter 3.6 *Industrial and Energy Development* to promote timely and proper removal of certain oil and gas facilities upon their abandonment. The new section and policy will read as follows:

##### *3.6.8 Abandonment of Onshore Infrastructure*

##### *3.6.8.1 Infrastructure Related to Recovery of Offshore Oil and Gas*

*Abandonment of onshore infrastructure entails permanent cessation of an entire land use or an independent business function of a land use. Several tasks to reclaim sites follow abandonment. Facilities are dismantled and removed from the site, while inter-*

*facility gathering and transmission pipelines may either be abandoned in-place or removed. Some facilities (e.g., water tanks) and other improvements (e.g., roads) may be permitted at the site for future use. Any contamination of soils and water is remedied and the host site is returned to natural conditions or reclaimed to accommodate any approved future use of the site.*

*Historically, the County has experienced mixed results with regard to the timely demolition of facilities and reclamation of oil and gas sites following the abandonment of use. Some operators have diligently closed sites within 3-5 years following abandonment, while others have delayed commencement of site closure for unreasonably long periods (10-26 years). Other experience indicates that remediation of contamination may lag several years behind initial dismantling and removal of surface facilities.*

*Whereas:*

*The County seeks to encourage, by way of a formal public process, the timely removal of facilities and appropriate reclamation of host sites following permanent cessation of an oil, gas, or oil/gas operation in the coastal zone.*

*Policy 6-30: Oil and gas facilities shall be dismantled and removed, and their host sites cleaned of contamination and reclaimed to natural conditions, or conditions to accommodate reasonably foreseeable development, in an orderly and timely manner that avoids long-term impacts to the health, safety, and welfare of the public and environment.*

*Applicability*

*Policy 6-30 applies to all onshore land uses that are, or at one time were, wholly or partially dedicated to the production, processing, storage, and transportation of oil or gas derived from offshore reservoirs.*

*Implementing Procedures*

*(a) The County shall establish a process in its Coastal and Inland Zoning Codes for determining if, based on reasonable evidence, permitted land uses or independent business functions thereof have discontinued operations permanently. The County shall also establish a discretionary process to permit the removal, retention, or abandonment in-place of facilities, structures, and improvements associated with permitted land uses determined to be abandoned, and to reclaim host sites to natural conditions, or other conditions, in compliance with applicable laws and permits. This permit shall be independent of any development permits associated with future use of the land, but may be processed concurrently with development permits.*

*(b) Permittees shall obtain all applicable permits to remove (or retain) facilities, structures, and other improvements, and reclaim the host site upon the intentional abandonment of operations of a permitted land use. Otherwise, the permittee shall*

*obtain either County approval to defer abandonment or all applicable permits to remove facilities and reclaim host sites under the following circumstances:*

*(1) Any event designated in an existing County permit that would require consideration of abandonment; or*

*(2) The permitted land use has become idled.*

*(c) Long-term salvage operations, recycling facilities, or junkyards shall not be considered ancillary to permitted land uses. For the purpose of this procedure, "long-term" shall be a period of 2 or more consecutive years. Permittees who desire to operate long-term salvage or recycling operations at an oil/gas site shall first obtain the appropriate permits to do so, and such permits shall be issued independent of the oil/gas operation."*

### **3.2.2. Summary of Proposed Amendments to IP/CZO**

(1) Add new Section 35-170 *Abandonment of Certain Oil/Gas Land Uses* to CZO Division 11 (*Permit Procedures*) to establish new permit procedures and standards for the abandonment of certain oil and gas land uses. A summary of the new subsections is as follows:

- *Sec. 35-170.1 Purpose*
- *Sec. 35-170.2 Applicability*
- *Sec. 35-170.3 Requirements to File an Application*
- *Sec. 35-170.4 Filing an Application to Defer Abandonment*
- *Sec. 35-170.5 Contents of Application to Defer Abandonment*
- *Sec. 35-170.6 Processing of Application to Defer Abandonment*
- *Sec. 35-170.7 Decision on Application to Defer Abandonment*
  - *Decisions for Idle Facilities*
  - *Decisions for Consideration of Abandonment Under Permit Conditions*
- *Sec. 35-170.8 Deferral Period and Extensions of Approval to Defer Abandonment*
- *Sec. 35-170.9 Filing an Application for a Demolition and Reclamation Permit*
- *Sec. 35-170.10 Content of Application for a Demolition and Reclamation Permit*
- *Sec. 35-170.11 Processing of a Demolition and Reclamation Permit*
- *Sec. 35-170.12 Findings Required for Approval of a Demolition and Reclamation Permit*
- *Sec. 35-170.13 Performance Standards for Demolition and Reclamation Permits*
- *Sec. 35-170.14 Revocation and Entitlement to Land Use*
- *Sec. 35-170.15 Expiration of a Demolition and Reclamation Permit*

(2) Repeal Sub-section 35-158.7.m in CZO Section 35-158 (*On-Shore Exploration and/or Production of Offshore Oil and Gas Reserves*) of Division 9 (*Oil and Gas Facilities*) to be consistent with the new CZO Section 35-170.

(3) Revise the appeal procedures in CZO Section 35-182.2.a (*Appeals*) of Division 12 (*Oil and Gas Facilities*) by adding the following language:

*“Sec. 35-182.2.a. . . . except for appeals pursuant to Sec. 35-170, in which case, filing shall occur within thirty days following the date of decision.”*

(2) Add new definitions in CZO Division 2 for “*abandonment*,” “*idled*,” “*natural conditions*,” “*permitted land use*,” and “*reclamation*.”

### **3.3. ANALYSIS OF LUP/CP AMENDMENTS FOR CONSISTENCY WITH COASTAL ACT CHAPTER 3 POLICIES**

The standard of review for the County’s land use plan (LUP/CP) amendment is that it must be consistent with the policies of Chapter 3 of the Coastal Act.

The proposed LUP/CP policies for the timely removal of abandoned oil and gas facilities supporting offshore oil development are consistent with the Coastal Act’s Chapter 3 goals and policies that provide for the protection of the coastal zone resources from individual and cumulative development impacts.

Coastal Act Section 30250 provides that industrial development shall be located “where it will not have significant adverse effects, either individually or cumulatively, on coastal resources.” Coastal Act Section 30240 provides that “development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas . . . shall be compatible with the continuance of those habitat and recreation areas.” Coastal Act Section 30230 further provides that “marine resources shall be maintained, enhanced, and where feasible, restored.”

Under the Coastal Act, onshore oil and gas facilities that support offshore oil and gas developments are industrial developments that are allowed as priority use in the coastal zone in order to provide for national energy interests and public welfare. In many cases, these onshore oil and gas facilities are located adjacent to or in coastal areas that have sensitive resources as well as offer prime scenic values, recreational use, and agricultural use. Once an oil and gas facility has become “abandoned” and permanently ceased its operations for the transport, processing and storage of offshore oil, then it is no longer serving the public welfare and energy needs of the nation.

It is important to look at all phases of impacts of an oil and gas facility from the beginning to end of its useful life. When oil and gas facility operations are permanently ceased, or abandoned, what remains above ground are the remnants of the buildings, pipelines, storage tanks, etc., while below ground the soils and water may be contaminated with residual hydrocarbons left from the many years of use. In some cases, where the oil and gas facility is located adjacent to scenic areas or recreational serving areas (*e.g.*, such as the Gaviota processing facility), the remaining abandoned above-ground structures now create adverse impacts to the scenic quality

and recreational use of the surrounding area. More important, any unremediated soil and water contamination may lead to significant cumulative adverse impacts on the soil, water, and sensitive resources that exist on or adjacent to the host site. In other cases, once oil and gas facilities have served their useful life for oil production and have been abandoned, the host site becomes desirable for other visitor serving and recreational priority uses in the coastal zone, but contamination of the site may impede timely development of the host site into these other priority uses.

The County's proposed *LUP/CP Policy 6-30* provides

*Oil and gas facilities shall be dismantled and removed, and their host sites [shall be] cleaned of contamination and reclaimed to natural conditions, or conditions to accommodate reasonably foreseeable development, in an orderly and timely manner that avoids long-term impacts to the health, safety, and welfare of the public and environment.*

*Policy 6-30 Implementing Procedures (a)* provides that the IP/CZO shall establish a process to determine if, based on reasonable evidence, permitted land uses or independent business functions thereof have ceased operations permanently (*i.e.*, abandoned). For those oil and gas facilities that are temporarily idle, with plans to restart operations in the future, the proposed *LUP/CP Policy 6-30 Implementing Procedures (b)* provides a second permitting path that allows an oil and gas operator to obtain a Deferral of Abandonment. Similarly, there is a process to accommodate those oil and gas operations, in which part of the facility continues to operate while the use of other parts of the facility have been abandoned (*e.g.*, Gaviota oil storage and processing facility).

To ensure the timely removal, or abandonment-in-place, of oil and gas facilities/land uses that are determined to be abandoned, *Policy 6-30 Implementing Procedures (a)* and *(b)* provide for the establishment of a separate Demolition and Reclamation (D&R) permitting process, that will complement the coastal development permit (CDP) process. The facility operator will still be required to get a new CDP for the demolition and reclamation activities because those activities constitute development. However, the new CDP will incorporate the specific demolition and reclamation standards set forth in the D&R permit, which are not available in the existing certified ordinances governing the construction and operation of oil and gas facilities. In addition, the D&R permit process establishes a one-year timeline after a facility has been idled in which the operator must apply for either a DA permit or a D&R permit, and holds permittees accountable for timely execution of demolition and reclamation.

Proposed *LUP/CP Policy 6-30* further sets forth the specific objective that an oil and gas facility's "host site shall be cleaned of contamination and restored to natural condition, or conditions to accommodate reasonably foreseeable development, in an orderly and timely manner that avoids long-term impacts to the health, safety, and welfare of the public and environment." The intent of *LUP/CP Policy 6-30* is to provide a dedicated, simplified, and enforceable permit process that not only assures the removal of abandoned oil and gas facilities, but also assures the timely clean-up of any residual contamination on the host site in order to prevent or minimize the continuation of individual and cumulative adverse impacts on the

scenic/recreational qualities and the natural ecosystems of the host site and its surrounding coastal resources, as well as on the health, safety, welfare of the public. To implement this objective of *Policy 6-30*, the County's IP/CZO has established procedures for the D&R permit that include a set of clear performance standards to measure the adequacy and success of the permitted demolition and reclamation activities for avoiding long-term individual and cumulative adverse impacts to the public's health and safety and to the environment. The County's approach is consistent with the intent and language of Coastal Act Sections 30250, 30230, and 30240 to avoid individual and cumulative adverse impacts and provide for the long-term protection of coastal zone resources.

### **3.4. ANALYSIS OF IP/CZO AMENDMENTS FOR ADEQUACY TO CARRY OUT THE LUP/CP**

The standard of review for amendments to the County's implementation program (IP/CZO) is that they must conform with, and be adequate to carry out, the policies of the certified Santa Barbara County LUP/CP.

Amendment SB-MAJ-2-04 proposes adding a new *Section 35-170 Abandonment of Certain Oil /Gas Land Uses* to *Division 11- Permit Procedures* of the IP/CZO. *Subsections 35-170.1 through 170.3* set forth clear permit procedures and criteria to inform oil and gas operators what information must be submitted to the Planning Director in order to determine whether their facility qualifies as either: (1) an abandoned facility and therefore subject to the permit requirements for a D&R permit; or (2) an idled facility and therefore eligible for a Deferral of Abandonment.

For those oil and gas facilities/land uses that are determined to be abandoned, *subsections 35-170.9 through 170.15* set forth the D&R permit process that specifies: the information required in the D&R application, the application processing procedures, the findings that will be used to approve the D&R permit, and the performance standards that will be used for determining the success and completeness of the facility/infrastructure removal and site reclamation activities performed under the D&R permit. The permit procedures and development standards set forth in *subsections 170.9 through 170.15* conform to and are adequate to carry out the intent of the implementing procedures specified under proposed LUP/CP *Section 3.6.8.1, Policy 6.30 (a), (b) and (c)*.

The IP/CZO *Section 35-170.13* sets forth seventeen performance standards to implement and carry out the mandate of LUP/CP *Policy 6-30* that requires that abandoned oil and gas facilities and host site are “. . . *cleaned of contamination and restored to natural condition, or conditions to accommodate reasonably foreseeable development, in an orderly and timely manner that avoids long-term impacts to the health, safety, and welfare of the public and environment.*” These performance standards include, but are not limited to, the following provisions: (a) pre-and post-reclamation surveys of sensitive resources shall be employed as appropriate to measure compliance; (b) native seeds and plants shall be used when returning the area to natural conditions; (c) contouring of land shall be compatible with the surrounding natural topography; (d) the site shall be assessed for previously unidentified contamination and the permittee shall diligently seek all necessary permit approvals [from other County and State agencies] to

remediate the contamination; (e) where applicable, the permittee shall prepare and submit an Spill Contingency Plan that shall identify measures to prevent and contain spills during dismantling and removal of facilities, as well as how spills will be cleaned-up once they have occurred; and (f) the Planning Director, in consultation with other County agencies, may impose other appropriate and reasonable conditions or require any changes to the project as deemed necessary to protect the health, safety, and welfare of the public, protect property, preserve the character, natural resources, or scenic quality of the area. The seventeen performance standards set forth in IP/CZO *subsection 35-170.13* conform with and are adequate to carry out the objectives of *Policy 6-30* as proposed under *Section 3.6.8.1* of the LUP/CP.

For those oil and gas facilities/land uses that may be eligible for a deferral, *subsections 35-170.4 through 170.8* set forth the process for the submittal of an application to defer abandonment, including the type of information required, the decision criteria that will be used to approve a deferral, and the time period granted for abandonment deferrals. The process and standards set forth in *subsections 35-170.4 through 170.8* conform with and are adequate to carry out the intent of the implementing procedures specified under proposed LUP/CP *Section 3.6.8.1 Policy 6.30 (b)*.

Amendment SB-MAJ-2-04 (B) proposes to delete *Section 35-158.7.m* from the IP/CZO's *Division 9, Oil and Gas Facilities* because it is no longer applicable. Replacing IP/CZO *Section 35-158.7.m* with the permit procedures and standards set forth in IP/CZO *subsections 35-170.1 through 170.15* conforms with and is adequate to carry out the intent of the implementing procedures specified under proposed LUP/CP *Section 3.6.8.1 Policy 6.30 Implementing Procedures (a) (b) and (c)*.

Amendment SB-MAJ-2-04 (B) proposes adding to the IP/CZO *Division 2* definitions for "abandoned," "idled (or idle)," "natural conditions," "permitted land," and "reclamation." The addition of these definitions will add clarity to the criteria and standards that are used in the IP/CZO *Section 35-170.1 – 170.15*. These definitions conform to and are adequate to carry out the language and intent of the proposed LUP/CP *Section 3.6.8.1 Abandonment of Onshore Facilities*.

For the reasons stated above, the Commission finds that the IP/CZO amendments proposed in SB-MAJ-2-04 (B) conform to and are adequate to carry out the proposed amendments to the County's certified LUP/CP.

#### **4.0 CALIFORNIA ENVIRONMENTAL QUALITY ACT**

Pursuant to Section 21080.9 of the California Environmental Quality Act (CEQA), the Coastal Commission is the lead agency responsible for reviewing Local Coastal Programs for compliance with the CEQA. The Secretary of the Resources Agency has determined that the Commission's program of reviewing and certifying LCPs qualifies for certification under Section 21080.5 of the CEQA. In addition to making the finding that the LCP amendment is in full compliance with the CEQA, the Commission must make a finding that no less environmentally damaging feasible alternative exists. Section 21080.5(d)(2)(A) of CEQA and Section 13540(f) of the California Code of Regulations require that the Commission not certify a



LCP, "...if there are feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact which the activity may have on the environment."

As discussed in this report, the purpose of the County's proposed amendments are to strengthen the protection of the County's natural resources and environment by providing LUP/CP policies and IP/CZO regulatory processes to ensure the timely removal of abandoned oil and gas facilities and timely reclamation of the host sites.

Thus, the amendments, as proposed and submitted in SB-MAJ-2-04 Part (B), do not have any adverse impacts on the environment. To the contrary, they will result in significant beneficial effects. Accordingly, there are no feasible alternatives or feasible mitigation measures available which would substantially lessen any significant adverse impact that the activity may have on the environment. Therefore, the LUP/CP and IP/CZO amendments contained in SB-MAJ-2-04 Part (B), as proposed and submitted, are consistent with the provisions of the CEQA.

## **Attachment A**

### **SUBSTANTIVE FILE DOCUMENTS**

1. Resolution No. 04-304, *In the Matter of Submitting to the Coastal Commission Amendments to the Texts and Maps of the Santa Barbara County Local Coastal Program*, passed, approved, and adopted October 26, 2004 by the Board of Supervisors of the County of Santa Barbara, California.
2. Resolution No. 04-263, *In the Matter of Adopting An Amendment to the Coastal Plan, Adding a New Section and Policy to Chapter 3.6 "Industrial and Energy Development," Promoting Timely and Proper Abandonment for Certain Oil and Gas Facilities*, passed, approved, and adopted September 21, 2004 by the Board of Supervisors of the County of Santa Barbara, California.
3. Ordinance No. 4550, Case No. 04-ORD-0000-00008, *An Ordinance Amending the Santa Barbara County Code by Revising Article II of Chapter 35, titled Coastal Zoning Ordinance*, passed, approved, and adopted September 21, 2004 by the Board of Supervisors of the County of Santa Barbara, California.
4. Submittal of *Santa Barbara County LCP Amendments Policy and regulations for Abandonment of Oil and Gas Facilities that Support Development of Offshore Reservoirs*, Case Nos. 04GPA-00000-00006 & 04GPA-00000-00008 to the California Coastal Commission, dated November 8, 2004.

## **EXHIBIT A**

### **Text of New Policies and Ordinances for Ensuring Timely Removal of Abandoned Oil and Gas Facilities Supporting Offshore Oil Production**

<b>EXHIBIT No. A</b>
<b>LCP Amendment No: SB-MAJ-2-04 Part B</b>

**RESOLUTION OF THE BOARD OF SUPERVISORS  
COUNTY OF SANTA BARBARA, STATE OF CALIFORNIA**

IN THE MATTER OF ADOPTING AN  
AMENDMENT TO THE COASTAL PLAN,  
ADDING A NEW SECTION AND POLICY  
TO CHAPTER 3.6 "INDUSTRIAL AND  
ENERGY DEVELOPMENT," PROMOTING  
TIMELY AND PROPER ABANDONMENT  
OF CERTAIN OIL AND GAS FACILITIES

**RESOLUTION NO.**

**04-263**

**Case No. 04GPA-00000-  
00006**

WITH REFERENCE TO THE FOLLOWING:

- A. Santa Barbara County seeks to promote, by way of a formal process where one does not currently exist, the timely removal of facilities and appropriate reclamation of host sites following permanent cessation of an oil, gas, or oil/gas operation.
- B. The Santa Barbara County Planning Commission has recommended adding of a new section and policy that would provide the foregoing formal process.
- C. The Board has held a duly notice public hearing, as required by Section 65355 of the Government Code, at which this amendment to the Coastal Plan was explained and comments invited from the persons in attendance.
- D. It is now deemed in the interest of the orderly development of the County of Santa Barbara and important to the preservation of the health and safety of the residents of said County to amend the Coastal Plan of the Local Coastal Program by adopting the following section to Chapter 3.6, "Industrial and Energy Development:"

**"3.6.8 Abandonment of Onshore Infrastructure**

**3.6.8.1 Infrastructure Related to Recovery of Offshore Oil and Gas**

Abandonment of onshore infrastructure entails permanent cessation of an entire land use or an independent business function of a land use. Several tasks to reclaim sites follow abandonment. Facilities are dismantled and removed from the site, while inter-facility gathering and transmission pipelines may either be abandoned in-place or removed. Some facilities (e.g., water tanks) and other improvements (e.g., roads) may be permitted at the site for future use. Any contamination of soils and water is remedied and the host site is returned to natural conditions or reclaimed to accommodate any approved future use of the site.

Historically, the County has experienced mixed results with regard to the timely demolition of facilities and reclamation of oil and gas sites following the abandonment of use. Some operators have diligently closed sites within 3-5 years following abandonment, while others have delayed commencement of site closure for unreasonably long periods (10-26 years). Other experience indicates that remediation of contamination may lag several years behind initial dismantling and removal of surface facilities.

#### Whereas

The County seeks to encourage, by way of a formal public process, the timely removal of facilities and appropriate reclamation of host sites following permanent cessation of an oil, gas, or oil/gas operation in the coastal zone.

**Policy 6-30:** Oil and gas facilities shall be dismantled and removed, and their host sites cleaned of contamination and reclaimed to natural conditions, or conditions to accommodate reasonably foreseeable development, in an orderly and timely manner that avoids long-term impacts to the health, safety, and welfare of the public and environment.

#### Applicability

Policy 6-30 applies to all onshore land uses that are, or at one time were, wholly or partially dedicated to the production, processing, storage, and transportation of oil or gas derived from offshore reservoirs.

#### Implementing Procedures

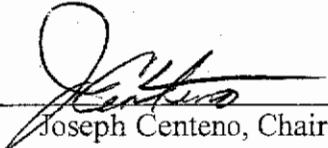
- (a) The County shall establish a process in its Coastal and Inland Zoning Codes for determining if, based on reasonable evidence, permitted land uses or independent business functions thereof have discontinued operations permanently. The County shall also establish a discretionary process to permit the removal, retention, or abandonment in-place of facilities, structures, and improvements associated with permitted land uses determined to be abandoned, and to reclaim host sites to natural conditions, or other conditions, in compliance with applicable laws and permits. This permit shall be independent of any development permits associated with future use of the land, but may be processed concurrently with development permits.
- (b) Permittees shall obtain all applicable permits to remove (or retain) facilities, structures, and other improvements, and reclaim the host site upon the intentional abandonment of operations of a permitted land use. Otherwise, the permittee shall obtain either County approval to defer abandonment or all applicable permits to remove facilities and reclaim host sites under the following circumstances:
  - (1) Any event designated in an existing County permit that would require consideration of abandonment; or
  - (2) The permitted land use has become idled.

NOW, THEREFORE, IT IS HEREBY RESOLVED as follows:

1. Pursuant to the provisions of Section 65356 of the Government Code, this Board adopts the foregoing section to the Chapter 3.6 of the Coastal Plan.
2. A copy of this Resolution shall be made available pursuant to Section 65357 of the Government Code.

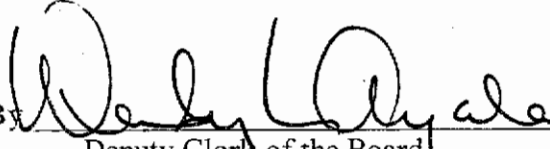
**PASSED, APPROVED, AND ADOPTED** this 21<sup>st</sup> day of September, 2004, by the following vote:

AYES:	Supervisor Rose, Marshall, Gray and Centeno
NOES:	None
ABSENT:	Supervisor Schwartz
ABSTENTIONS:	None

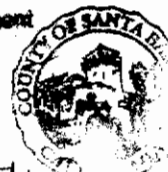
  
Joseph Centeno, Chair  
Board of Supervisors  
County of Santa Barbara

ATTEST:

MICHAEL F. BROWN  
County Clerk of the Board

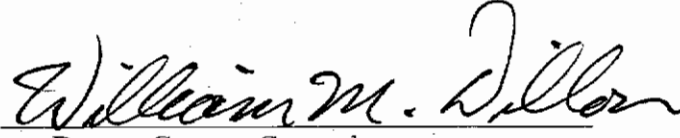
By   
Deputy Clerk of the Board

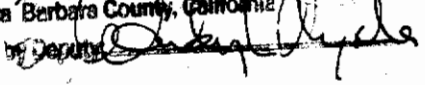
This is a true certified copy of the original document on file or of record in my office. It bears the seal and signature, imprinted in purple ink, of the Clerk of the Board of Supervisors.



APPROVED AS TO FORM:

STEPHEN SHANE STARK  
County Counsel

By   
Deputy County Counsel

Clerk of the Board, Santa Barbara County, California  
Date: 10/5/04 by Deputy 

**Ordinance No. 4550**

AN ORDINANCE AMENDING THE SANTA BARBARA COUNTY CODE  
BY REVISING ARTICLE II OF CHAPTER 35, TITLED “COASTAL ZONING ORDINANCE”

CASE No.: 04-ORD-0000-00008

The Board of Supervisors of the County of Santa Barbara, State of California, ordains as follows:

**SECTION 1:**

Division 2 “Definitions” of Article II of the Santa Barbara County Code is hereby amended, by adding the following new definitions to read:

ABANDONED (or ABANDONMENT), as used in Section 35-170 of this Article, shall mean the discontinuance of any permitted land use, or any independent business function of a permitted land use, and there is no evidence of a clear intent on the part of the owner to restart operations of the permitted land use, or the independent business function of a permitted land use.

IDLED (or IDLE), as used in Section 35-170 of this Article, shall mean a permitted land use or an independent business function of a permitted land use has had a zero throughput (enter and exit) for a period of one continuous year.

NATURAL CONDITIONS, as used in Section 35-170 of this Article, shall mean the reasonable and feasible return of land to a state that reflects the natural environment of the area without development. Retention of certain improvements or other items such as pipeline support footings would qualify as natural conditions if their removal would result in undesired environmental outcomes such as undesired destabilization of slopes due to removal of a retaining wall. Natural conditions do not necessarily equate to original or pre-development conditions.

PERMITTED LAND USE shall mean any land use, facility, activity, or site subject to this Chapter.

RECLAMATION, as used in Section 35-170 of this Article, shall mean conversion of a host site to natural conditions, or other conditions, in compliance with applicable laws and permits, including remediation of contamination, contouring of topography, re-vegetation and landscaping.

**SECTION 2:**

Division 9 “Oil and Gas Facilities” in Article II, Chapter 35 of the Santa Barbara County Code is hereby amended, by deleting Section 35-158.7.m, which reads:

m. Within 60 days of abandonment of facility operations, the operator shall submit an Abandonment and Restoration Plan addressing the abandonment of the wells and removal of all production equipment pursuant to Sec. 25-32 and 25-33 of the County Code and include provision for site restoration and revegetation.

### **SECTION 3:**

Division 11 “Permit Procedures” in Article II, Chapter 35 of the Santa Barbara County Code is hereby amended, by adding a new Section 35-170 to read:

## **Sec. 35-170. Abandonment of Certain Oil/Gas Land Uses.**

### ***Sec. 35-170.1. Purpose and Intent.***

This section establishes procedures to achieve the timely abandonment of applicable land uses, and following such abandonment, the timely and proper removal of applicable oil and gas facilities, reclamation of host sites, and final disposition of pipelines, in compliance with applicable laws and permits. Such procedures ensure appropriate due process in differentiating idled from abandoned facilities and protect the vested rights of permittees while also ensuring that facilities with no reasonable expectation of restarting are removed, pursuant to the intent of enabling development permits. Timely abandonment provides a public benefit by avoiding unnecessary delays in remediating any residual contamination that may result during operations, and providing an effective means of mitigating several significant environmental and socioeconomic effects, including aesthetics, compatibility with surrounding land uses, and risk of default on demolition and reclamation obligations by the permittee.

### ***Sec. 35-170.2. Applicability.***

Section 35-170 shall apply to the following land uses within the unincorporated area of the County:

1. All permitted uses defined in Sections 35-154, 35-155, 35-156, and 35-158 of this Chapter that handle, or at one time handled, oil, natural gas, natural gas liquids, produced water, or waste water that originated from an offshore reservoir, regardless of whether these uses were permitted in accordance with this Chapter or any preceding ordinance.
2. All marine terminals and oil storage tanks, regardless of whether these uses were permitted in accordance with this Chapter or any preceding ordinance.
3. All pipeline systems defined in Section 35-157 that, except for public utility natural gas transmission and distribution systems such as The Gas Company, either transport, or at one time transported, oil, natural gas, produced water, or waste water that originated from an offshore reservoir, regardless of whether these uses were permitted in accordance with this Chapter or any preceding zoning ordinance.
4. Unless specifically stated otherwise, reclamation of sites and corridors used to support any of the operations identified in 35-170.2.1, 2 or 3, above.



***Sec. 35-170.3. Requirement to File an Application.***

1. The permittee of a permitted land use shall submit an application to the Director for a Demolition & Reclamation Permit (ref. Sec. 35-170.9 *et. seq.*) upon intentional abandonment of a permitted land use, or a major business function thereof.
2. The permittee of a permitted land use shall submit an application to the Director either to defer abandonment (ref: Section 35-170.4 *et. seq.*) or to obtain a Demolition & Reclamation Permit (ref: Section 35-170.9 *et. seq.*) upon the occurrence of either of the following:
  - a. Any event designated in an existing County permit that would require consideration of abandonment; or
  - b. The permitted land use or an independent business function of a permitted land use has become idle.

***Sec. 35-170.4. Filing an Application to Defer Abandonment.***

Any permittee subject to the requirements of Section 35-170.3.2 may file an application to defer abandonment, which shall be considered by the Director. The application shall be filed no later than 90 days after an event specified in Section 35-170.3.2 has occurred.

***Sec. 35-170.5. Contents of Application to Defer Abandonment.***

The application to defer abandonment shall be in a form and content specified by the Director and this chapter. Such applications shall contain the following:

1. Name, address, and contact information for permittee;
2. Name, address, and general description of the permitted land use
3. Date when permitted land use first became idle.
4. Reason for idle status.
5. Status of upstream production facilities, where applicable.
6. Listing of any facility equipment that has been identified on a plan (submitted in satisfaction of a County, Fire, or APCD permit) and has been either removed from the site or is not currently in operational condition. Include an explanation of the effect this missing or inoperable equipment has on the ability to restart operations and runs all processes. Also explain measures necessary to bring inoperable equipment back into operational condition.
7. Plans and schedule to restart operations and identification of any facility components that would remain inactive after restart.
8. Identification of reasonable circumstances that would hinder restart of operations according to plan and schedule.
9. Any other information deemed necessary by the Director.

***Sec. 35-170.6. Processing of Application to Defer Abandonment.***

1. The Director shall determine the completeness of any application and issue a completeness letter within 30 days of receipt. If the application is deemed incomplete, the Director shall specify in detail the deficiencies in the application.
2. The applicant shall submit information in response to an incompleteness letter within 60 days of receipt or, if it is not practicable to respond within a 60-day period, shall

request an extension, not to exceed 60 additional days (total of 120 days to respond), within which to provide the required information.

3. The Director may choose, at his or her discretion, to conduct a public hearing to consider any application to defer abandonment. The public shall be given all reasonable opportunity to review the Director's recommended decision no less than ten days prior to conducting a public hearing on any application to defer abandonment in accordance with applicable procedures specified in Sec. 35-181.
4. The Director shall refer an application to defer abandonment to the Fire Department and Air Pollution Control District for review and comment.

***Sec. 35-170.7. Decision on Application to Defer Abandonment.***

1. Decisions for Idle Facilities. The Director shall grant the application unless the evidence shows that an idle facility has no reasonable possibility of being restarted or the owner has no intent of restarting the facility within a reasonable period of time. Notwithstanding the above, the Director shall approve the application for any pipeline subject to the jurisdiction of the Federal Energy Regulatory Commission if that Commission has determined that abandonment is not appropriate. The Director shall consider all relevant evidence in determining if a permitted land use has been abandoned, including whether any of the following have occurred:
  - a. The oil and gas leases that have supplied the permitted land use with product have terminated.
  - b. The oil and gas operations that have supplied the permitted land use with product have been abandoned.
  - c. For oil/gas land uses designated as consolidated facilities and sites under the zoning code, there are no other existing offshore leases that may reasonably be expected to use the consolidated facility or site in the next 10 years.
  - d. Major and essential components of a land use, or an independent business function thereof, have been removed from the site or have fallen into such disrepair that they are no longer functional.
  - e. Permits or other entitlements for the land use, such as permits from the Air Pollution Control District, have been surrendered, expired, revoked or otherwise rendered invalid and no intent has been demonstrated to renew or reacquire such permits.
  - f. The Fire Department has issued an order requiring abandonment.
  - g. Any other evidence that shows clear intent to abandon.
2. Decisions For Consideration of Abandonment Under Permit Conditions. The Director shall grant the application unless:
  - a. The Director finds under the applicable permit condition that abandonment of the permitted land use or independent business function thereof is required without further delay, and
  - b. The permittee no longer has a vested right to continue operation.
3. The Director's decision shall be transmitted by a public notice pursuant to applicable provisions of Section 35-181.
4. The Director's decision may be appealed to the Planning Commission within 30 days of noticing such decision. The Director's decision shall be final upon conclusion with

the 30-day appeal period if no appeals have been filed. All appeals shall follow procedures specified in Section 35-182.

***Sec. 35-170.8. Deferral Period and Extensions of Approval to Defer Abandonment.***

The Director may approve an abandonment deferral for a period not to exceed 24 months from the occurrence of an event defined in Sec. 35-170.3.2.a or b. The Director may extend this period for one-year increments upon timely application by the operator. Applications for extensions shall be filed 90 days prior to the end of the approved abandonment-deferral period and shall contain the information specified in section 35-170.5, above.

***Section 35-170.9. Filing an Application for a Demolition & Reclamation Permit.***

Any permittee of a permitted land use that has not filed an application to defer abandonment pursuant to Section 35-170.4, or who has filed and that application has been denied, shall file an application for a Demolition & Reclamation Permit. The application for a Demolition & Reclamation Permit shall be filed no later than 180 days after an application to defer abandonment has been denied and all administrative appeals have been exhausted. If no application to defer abandonment has been filed, an application for a Demolition & Reclamation Permit shall be filed no later than 180 days after an event in Section 35-170.3.1 or 35-170.3.2 has occurred. The Director may grant extensions of time for good cause.

***Section 35-170.10. Content of Application for a Demolition & Reclamation Permit.***

The application for a Demolition & Reclamation Permit shall contain the following.

1. Name, address, and contact information for permittee.
2. Name, address, and general description of the permitted land use.
3. Gross and net acreage and boundaries of the property.
4. Location of all structures, above and underground, proposed to be removed.
5. Location of all structures, above and underground, proposed to remain in-place.
6. Location of all utilities on the property.
7. Location of all easements on or adjacent to the property that may be affected by demolition or reclamation.
8. To the extent known, the type and extent of all contamination and proposed remedial actions to the level of detail that can be assessed through environmental review. This information does not require a new or modified Phase 2 site assessment in advance of any such requirement by the Fire Department or State agencies with regulatory oversight of site assessments.
9. Location of areas of geologic, seismic, flood, and other hazards.
10. Location of areas of prime scenic quality, habitat resources, archeological sites, water bodies and significant existing vegetation.
11. Location and use of all buildings and structures within 50 feet of the boundaries of the property.
12. A proposed decommissioning plan that details the activities involved in removing structures from the site, including the following details: estimated number of workers required on site to decommission facilities and structures, disposition of equipment

and structures proposed for decommissioning, projected method of transporting equipment, structures, and estimated debris from the site to the place of disposition as well as number of trips required, and an estimated schedule for decommissioning facilities.

13. A proposed waste-management plan to maximize recycling and minimize wastes.
14. Other permit applications as may be required by the Santa Barbara County Code to retain any existing structures, roadways, and other improvements to the property that were ancillary to the oil or gas operations and are proposed to be retained to support other existing or proposed uses of the property following abandonment of the oil and gas operations.
15. A proposed grading and drainage plan.
16. A proposed plan to convert the site to natural condition or convert to other proposed land use, including a detailed schedule for restoring the site. In the latter case, include other applicable permit applications required, if any, for the proposed land use.
17. A statement of intent as to the disposition of utilities that served the oil and gas operations, including water, power, sewage disposal, fire protection, and transportation.
18. Measures proposed to be used to prevent or reduce nuisance effects, such as noise, dust, odor, smoke, fumes, vibration, glare, traffic congestion, and to prevent danger to life and property.
19. Any other information deemed necessary by the Director to address site-specific factors.

***Section 35-170.11. Processing of Demolition & Reclamation Permit.***

1. The Planning and Development Department shall process complete applications for Demolition & Reclamation Permits through environmental review after determining such applications to be complete.
2. The Planning and Development Department shall process complete applications for Demolition & Reclamation Permits independently of any other permit applications to develop the site in question. However, Demolition & Reclamation Permits may be processed concurrently with development permits, provided that long delays in securing approval of development permits do not unduly hinder timely demolition of facilities and reclamation of host sites.
3. The Planning and Development Director shall consider complete applications for Demolition & Reclamation Permits and shall approve, conditionally approve, or deny the application. Any denial shall be accompanied by an explanation of changes necessary to render approval of the application.
4. The Director's decision shall be transmitted by a public notice pursuant to applicable provisions of Section 35-181.
5. The Director's decision may be appealed to the Planning Commission within 30 days of noticing such decision. The Director's decision shall be final upon conclusion with the 30-day appeal period if no appeals have been filed. All appeals shall follow procedures specified in Section 35-182.
6. Upon approval of the Demolition & Reclamation Permit or upon abandonment of operations, whichever occurs later, the Demolition & Reclamation Permit shall

supercede any discretionary use permit issued for construction and operation of the facilities.

***Section 35-170.12. Findings Required for Approval of a Demolition & Reclamation Permit.***

A Demolition & Reclamation Permit shall only be approved if all of the following findings are made:

1. That significant adverse impacts to the environment due to demolition and reclamation are mitigated to a level of insignificance or, where impacts cannot feasibly be mitigated to insignificance, they are mitigated to the maximum extent feasible.
2. That, where applicable, streets and highways are adequate and properly designed to carry the type and quantity of traffic generated by the proposed demolition and reclamation.
3. That any condition placed upon the operator or responsible party for assessment or remediation of soil or water contamination fully conform with the permitting process and requirements of the Regional Water Quality Control Board and the Santa Barbara County Fire Department.
4. That the proposed reclamation will not be detrimental to the health, safety, comfort, convenience, and general welfare of the neighborhood, and will not be incompatible with the surrounding area.
5. That the site will be restored to natural conditions unless any of the following conditions apply:
  - a. Areas within the site are subject to approved development, in which case restoration and landscaping of these areas will conform to the newly permitted development. In cases where development is proposed but not yet permitted, restoration of affected areas to natural conditions may be waived, provided that such development is permitted within five years and the permittee has posted financial assurances acceptable to the Director to assure restoration to natural conditions if the proposed development is not permitted.
  - b. Areas within the site are subject to agricultural uses that do not require a County permit, in which case the restoration will conform to conditions appropriate for such agricultural uses.

For purposes of this finding, the Director may allow abandonment in-place of specific improvements such as retaining walls or emergency access roads if the Director finds that their removal would be detrimental to the health, safety or welfare of the public or the environment (e.g., undesired destabilization of slopes due to removal of a retaining wall, or eliminating a needed public evacuation route).

6. That any retention of improvements to land has been duly permitted in accordance with the County Code where permits are required.
7. That the proposed reclamation will leave the site in a condition that is compatible with any existing easements or dedications for public access through, or public use of a portion of the property.
8. That the permit conditions contain specific enforceable requirements to ensure the timely closure of the host site and completion of post-closure activities.

***Section 35-170.13. Performance Standards for Demolition & Reclamation Permits.***

1. All equipment shall be cleaned of oil or other contaminants prior to dismantlement in order to reduce any risk of contamination of soils or water during demolition of the facility to the maximum extent feasible. Where applicable, the permittee shall prepare and submit a Spill Contingency Plan to the Fire Department. This plan shall identify measures to prevent and contain spills during dismantling and removal of facilities, as well as how spills will be cleaned up once they have occurred.
2. The permittee shall obtain all other necessary permits from other agencies and, where applicable, submit proof of permits issued by the California Division of Oil, Gas, and Geothermal Resources to plug and abandon wells or to inject waste water for purposes of disposal into any State oil and gas field prior to issuance of the Demolition & Reclamation Permit.
3. The demolition and reclamation shall be adequately monitored by a qualified individual, funded by the permittee and retained by the County, to ensure compliance with those conditions designed to mitigate anticipated significant adverse effects on the environment, and to provide recommendations in instances where effects were not anticipated or mitigated by the conditions in the permit.  
Pre- and post-reclamation surveys of sensitive resources shall be employed as appropriate to measure compliance.
4. Topsoil shall be stockpiled, covered, and saved for use as topsoil when excavated areas are back-filled, unless such soil is treated onsite or removed for offsite disposal due to contamination.
5. If appropriate, truck traffic transporting materials to and from the site shall avoid arriving or departing the site during the peak traffic hours of 7:00 a.m. to 9:00 a.m. and 4:00 p.m. to 6:00 p.m. weekdays (or other peak-hour periods applicable to the location of the traffic).
6. Adequacy of sight distance, ingress/egress and emergency access shall be verified by the Public Works Department and Fire Department.
7. Measures shall be implemented to inhibit dust generation, where appropriate. Unavoidable generation of dust shall be kept to a minimum through effective controls.
8. The permittee implements a viable recycling plan that meets County approval and includes provisions to maximize recycling of equipment, asphalt, and concrete, and to minimize disposal of wastes into hazardous waste and solid waste management facilities to the maximum extent feasible.
9. Contouring of the land shall be compatible with the surrounding natural topography, unless otherwise approved to accommodate another permitted use or required drainages.
10. Appropriate measures shall be implemented to control erosion both during and after site closure.
11. Establishment of vegetation shall be in conformance with an approved revegetation plan and the following standards:
  - a. In accordance with the County's Fire Plan, as implemented by the County Fire Department, all disturbed areas identified for vegetation shall be disked or ripped to an appropriate depth to eliminate compaction and establish a suitable root zone in preparation for planting, except where such requirement poses a significant adverse environmental impact.

- b. Native seeds and plants shall be used when returning the area to natural conditions. The Director shall define an acceptable geographic area from which genetically compatible, native-seed stocks may be selected for site restoration in order to protect the genetic integrity and the habitat value of the site and its surrounding area. Other seeds, such as a pasture mix, shall be allowed in areas designated for such use.
- 12. Subsurface segments of inter-facility pipelines may be abandoned in-place except under the following circumstances:
  - a. Presence of the pipeline would inhibit future land uses.
  - b. Modeling approved by the U.S. Army Corp. of Engineers or U.S. Bureau of Reclamation indicates that segments of the pipeline in erosive locations would become exposed at some time during the next 100 years, and environmental review determines that impacts from exposure and subsequent removal during inclement weather are more significant than removal at the time of abandonment.
- 13. Appropriate notification has been recorded with the County Clerk-Recorder to update, supersede or release the recorded rights-of-way where a subsurface pipeline is abandoned in-place. This notice shall describe the presence and location of the abandoned pipeline, any material placed in the pipeline for abandonment, and the operator and owner of the pipeline prior to abandonment.
- 14. The site shall be assessed for previously unidentified contamination. Any discovery of contamination shall be reported to the Director and the Fire Department. The permittee shall diligently seek all necessary permit approvals, including revisions to the Demolition & Reclamation Permit, if any are required in order to remediate the contamination.
- 15. The Director, in consultation with other County agencies, may impose other appropriate and reasonable conditions or require any changes to the project as deemed necessary to protect the health, safety, and welfare of the public, protect property, preserve the character, natural resources, or scenic quality of the area, or implement the purpose of this Chapter or any other chapter of the County Code.
- 16. In the case of an Independent Business function of a Permitted Land Use, the Director shall have discretion to determine the timing and extent of the requirements of the Demolition & Reclamation Permit. Factors that the Director may consider include:
  - a. Whether removal of the Independent Business function would substantially reduce the overall footprint of the Permitted Land Use, reduce any significant visual impact, or reduce any significant risk to public safety.
  - b. Whether site restoration is feasible at the time the Independent Business function is removed, compared to deferring site restoration to such time that the entire Permitted Land Use is removed.
- 17. Appropriate notification has been recorded with the County Clerk-Recorder to describe the presence and location of any contamination left in place under the authority of the Fire Department.

***Sec. 35-170.14. Revocation of Entitlement to Land Use.***

- 1. All entitlements provided in any use permits issued under this ordinance, or under any preceding zoning ordinance, to use the facilities shall be automatically revoked

and no longer effective upon the County's denial of an application to defer abandonment and the exhaustion of available administrative remedies. Requirements of use permits necessary to ensure continued protection of public and environmental health, safety and welfare shall continue in full force and effect, including:

- a. Conditions that specify liability of the owner, operator, and other persons.
- b. Conditions that specify payment of County fees and costs.
- c. Conditions that indemnify the County.
- d. Where applicable, conditions that specify the County's authority to require abatement of public nuisances or require mitigation of environmental impacts that may occur prior to issuance of a Demolition & Reclamation Permit.
- e. Where applicable, conditions that require oil spill prevention, preparedness, and response.
- f. Where applicable, conditions that require emergency preparedness and response.
- g. Where applicable, conditions that require safety inspections, maintenance, and quality assurance.
- h. Where applicable, conditions that require site security.
- i. Where applicable, conditions that require fire prevention, preparedness, protection and response.
- j. Where applicable, conditions that require payment of fees, including fees that provide mitigation for ongoing impacts to the environment (e.g., payments to the Coastal Resource Enhancement Fund).
- k. Substantive conditions that address abandonment; however procedural requirements for abandonment, demolition, and reclamation shall conform to Section 35-323 of this Chapter.

Upon revocation of entitlements in a use permit, the Director shall notify the owner or operator and include a list of permit conditions that remain in full or partial force.

2. All use permits issued under this ordinance, or under any preceding zoning ordinance, shall be automatically revised to remove any entitlement to continue the use any independent business function of a permitted land use determined to be abandoned in accordance with Section 35-170. However, permit conditions necessary to ensure continued protection of public and environmental health, safety and welfare, such as those identified in Sec. 35-170.14.1, shall continue in full force and effect.
3. The permittee shall have a grace period of two years from the date of revocation of entitlements in use permits in order to secure a Demolition & Reclamation Permit. The Director may extend the grace period no more than one year, cumulatively, for good cause, or for longer periods for delays attributable to circumstances beyond the permittee's control.
4. Upon completion of the grace period, the abandoned land use or independent business function shall be treated as a deserted and illegal land use until such time that the permittee secures approval of a Demolition & Reclamation Permit.

***Sec. 35-170.15. Expiration of a Demolition & Reclamation Permit.***

1. Requirements. The permittee shall complete all requirements of the Demolition & Reclamation Permit prior to the expiration of the permit, including any extensions thereof. Failure to do so shall constitute a violation of this Article.



2. Term. Demolition & Reclamation Permits shall expire upon issuance of a “Reclamation Complete” letter by the Director, which shall be issued upon the satisfactory completion of the required work, or seven years after the date of issuance, whichever occurs sooner. The Director’s “Reclamation Complete” letter shall certify completion of all required work except for remediation of contamination, which is certified by other agencies.
  4. Extensions. The Director may extend the expiration date of the permit without penalty if the closure or re-vegetation of the site was delayed by circumstances reasonably beyond the permittee’s control. Otherwise, Director may extend the expiration date of the permit with penalties, pursuant to Section 35-185 of this Article, in order to realize completion of all site closure and post-closure requirements. If the permittee requests a time extension for this project, the Director may revise the Demolition & Reclamation Permit to revise conditions and mitigating measures or to add new conditions and mitigating measures, which reflect changed circumstances, including newly identified impacts.

#### **SECTION 4:**

Division 12 “Oil and Gas Facilities” in Article II, Chapter 35 of the Santa Barbara County Code is hereby amended, by revising Section 35-182.2, “Appeals” to read:

##### ***Sec. 35-182.2.***

1. Except for those actions on Coastal Development Permits which are appealable to the Coastal Commission as provided for under Sec. 35-182.4., the decisions of the Planning and Development Department on the approval, denial, or revocation of Coastal Development Permits, final approval of projects under the jurisdiction of the Director, or decisions of the Board of Architectural Review may be appealed to the Planning Commission by the applicant, an aggrieved person (see definition) or any two members of the Coastal Commission. The appeal and accompanying fee must be filed with the Planning and Development Department as follows:
  - a. Within the ten calendar days following the date of decision for projects under the jurisdiction of the Director, ***except for appeals pursuant to Sec. 35-170, in which case, filing shall occur within thirty calendar days following the date of decision.***
  - b. Within the ten calendar days following the posting date for the notice of Coastal Development Permit approval, as required by Section 35-181.3, or if denied, within the ten calendar days following the decision of the Planning and Development Department to deny such permit application.
  - c. Within the ten calendar days following the date of final decision by the Board of Architectural Review (BAR). If final approval by the BAR is appealed, the hearing on the appeal shall only be held after the decisions on the Coastal Development Permit but, prior to the issuance of the Coastal Development Permit for such project. The BAR appeal shall be processed concurrently with any appeal of the Coastal Development Permit. If a denial by the BAR is appealed, a separate hearing shall be held on the BAR appeal prior to the decision on the Coastal Development Permit. No permits shall be issued until all appeals have been heard and/or resolved.
  - d. The appellant shall state specifically in the appeal how 1) the decision of the Planning and Development Department on a Coastal Development Permit ***or on applications under Sec. 35-170***, or a decision of the Director of the Board of Architectural Review is not in accord with the provisions and purposes of this Article or 2) there was an error or an abuse of discretion by the Planning and Development Department, Director or BAR. If the approval of a Coastal Development Permit (not subject to Section 35-182.4) required by a previously approved discretionary permit is appealed, the appellant must identify how the Coastal Development Permit is inconsistent with the previously approved discretionary permit, how the discretionary permit’s conditions of approval have been unfulfilled, or how the approval is inconsistent with Sec. 35-181. (Noticing).

**SECTION 5:**

This ordinance and any portion of it approved by the Coastal Commission shall take effect and be in force thirty (30) days from the date of its passage or upon the date that it is certified by the Coastal Commission pursuant to Public Resources Code Section 30514, whichever occurs later; and before the expiration of fifteen (15) days after its passage, this ordinance, or a summary of it, shall be published once, together with the names of the Board of Supervisors voting for and against the same in the Santa Barbara News Press, a newspaper of general circulation published in the County of Santa Barbara.

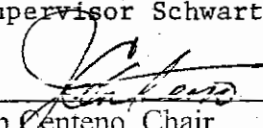
PASSED, APPROVED AND ADOPTED by the Board of Supervisors of the County of Santa Barbara, State of California, this twenty-first day of September, 2004, by the following vote:

AYES: Supervisor Rose, Marshall, Gray and Centeno

NOES: None

ABSTAINED: None

ABSENT: Supervisor Schwartz

  
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Joseph Centeno, Chair  
Board of Supervisors of the County of Santa Barbara  
State of California

ATTEST:

MICHAEL F. BROWN  
County Clerk of the Board

By 

Deputy Clerk of the Board

APPROVED AS TO FORM:

STEPHEN SHANE STARK  
County Counsel

By 

Deputy County Counsel

This is a true certified copy of the original document on file or of record in my office. It bears the seal and signature, imprinted in purple ink, of the Clerk of the Board of Supervisors.

Clerk of the Board, Santa Barbara County, California

Date: 10/5/04 by Deputy: 

