

1 **ALSTON & BIRD LLP**
JEFFREY D. DINTZER, SBN 139056
2 jeffrey.dintzer@alston.com
3 MATTHEW C. WICKERSHAM, SBN 241733
matt.wickersham@alston.com
4 350 South Grand Avenue, 51st Floor
Los Angeles, CA 90071-1410
5 Telephone: (213) 576-1000
Facsimile: (213) 576-1100
6

7 Attorneys for Plaintiffs
SABLE OFFSHORE CORP.; PACIFIC PIPELINE COMPANY
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9 **SUPERIOR COURT OF THE STATE OF CALIFORNIA**
10 **FOR THE COUNTY OF SANTA BARBARA**

11 SABLE OFFSHORE CORP., a Delaware
corporation;
12 PACIFIC PIPELINE COMPANY, a Delaware
corporation,
13

14 Plaintiffs,

15 v.

16 CALIFORNIA COASTAL COMMISSION, a
state agency; and DOES 1 through 25, inclusive,
17

18 Defendants.
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Case No. 25CV00974

**VERIFIED COMPLAINT FOR DAMAGES
AND DECLARATORY AND INJUNCTIVE
RELIEF**

Petitioners and Plaintiffs Sable Offshore Corp. (“Sable”) and Pacific Pipeline Company (“PPC” and, collectively, “Plaintiffs”) hereby bring this Complaint for Damages and Declaratory and Injunctive Relief and Petition for Writ of Mandate (“Complaint”), directed to Respondent and Defendant California Coastal Commission (“Coastal Commission” or “Defendant”). By this verified pleading, Plaintiffs allege as follows:

INTRODUCTION

1. PPC, a wholly-owned subsidiary of Sable, is the owner of the Las Flores Pipelines, which includes the pipeline segments CA-324 (“Line CA-324”) (previously known as Line 901) and CA-325 (“Line CA-325”) (previously known as Line 903) (collectively referred herein as the “Las Flores Pipelines”), portions of which are located within the coastal zone in an unincorporated area of the County of Santa Barbara (“County”). Sable is also the owner of the Santa Ynez Unit Pipelines (“SYU Pipelines”) located offshore the Gaviota Coast in the County.

2. This action challenges the Coastal Commission’s issuance of Notice of Violation, Violation File No. V-9-24-0152 (“NOV 152”), Notice of Violation File No. V-9-25-0013 (“NOV 0013” and collectively “NOVs”), and Executive Director Cease and Desist Order No. ED-24-CD-02 (“EDCDO”), which has effected a taking of Plaintiffs’ vested right to [own and] operate the Las Flores Pipelines and SYU Pipelines (collectively referred herein as the “Pipelines”) without prior compensation. Specifically, the NOV’s and EDCDO unlawfully prevent Plaintiffs’ repair and maintenance activities along portions of the Pipelines. The anomaly repair work on the Las Flores Pipelines has been previously analyzed and authorized by the County and is required by a prior Consent Decree and applicable law, and valve replacement work was authorized by a settlement agreement with the County. Further the span remediation maintenance activities do not require further approvals as these activities fall within the scope of the existing Development and Production Plan and coastal development permit.

3. A pipeline “anomaly” refers to a pipeline segment with some deviation from its original configuration, typically identified using a roving data gathering instrument located within the pipeline interior (referred to as an inspection “PIG”) that examines the pipeline’s conditions while traveling through the pipeline. Plaintiffs are required to promptly conduct anomaly inspections and all

1 associated repair work to comply with a Consent Decree involving the Pipelines as well as applicable
2 federal regulations that specifically require pipeline operators to “take prompt action to address all
3 anomalous condition in [any] pipeline.”¹ Under federal law, Plaintiffs are required to “schedule
4 evaluation and remediation... *within 180 days* of discovery of” certain conditions on the Pipelines.²
5 Moreover, “[a]n operator must promptly, *but no later than 180 days after an assessment*, obtain
6 sufficient information about a condition to make that determination, unless the operator can
7 demonstrate the 180-day interval is impracticable.”³ Anomaly inspections and repairs consistent with
8 requirements in the Consent Decree and applicable federal regulations are essential to promote safety
9 and ensure sufficient leak prevention measures along the Pipelines.

10 4. The County, under its delegated Coastal Act authority and pursuant to its certified
11 Local Coastal Program (“LCP”), has previously authorized this type of work within the coastal zone
12 under the Las Flores Pipelines’ approved Final Development Plan (“FDP”) (Case No. 85-DP-66cz),
13 Major Conditional Use Permit (“CUP”) (Case No. 83-CP-97cz), Coastal Development Permits
14 (“CDPs”) (86-CDP-189 and 86-CUP-205), and associated Conditions of Approval.

15 5. The County has consistently found anomaly repairs to be within the scope of the Las
16 Flores Pipeline’s original environmental review [under the California Environmental Quality Act and
17 National Environmental Policy Act conducted by the State Lands Commission and federal Bureau of
18 Land Management and Department of the Interior] and the previously issued FDP and CDPs. The
19 County has never amended the CDPs or determined it was necessary to issue a subsequent CDP for
20 anomaly repairs to the Pipelines within the coastal zone. Because repair work was previously
21 considered and authorized by the County through approvals of the FDP, CUP, CDPs, and Conditions
22 of Approval, and under its land use and delegated Coastal Act authority, no further authorizations are
23 required to perform the repair work to the Las Flores Pipelines under the Coastal Act or the County’s
24 certified LCP.

25 _____
26 ¹ See Consent Decree issued in *United States of America and the People of the State of*
27 *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); see also 49 C.F.R. § 195.452(h)(1).

28 ² 49 C.F.R. § 195.452(h)(4)(iii) (italics and emphasis added).

³ 49 C.F.R. § 195.452(h)(2) (italics and emphasis added).

1 6. On February 12, 2025, the County confirmed through correspondence provided to
2 Sable and the Coastal Commission that no further authorizations are required for the anomaly repair
3 work to the Las Flores Pipelines because the County “concluded that the ‘anomaly repair work’ ... is
4 authorized by the existing permits (Final Development Plan, Major Conditional Use Permit, and
5 associated Coastal Development Permits) and was analyzed in the prior Environmental Impact
6 Report/Environmental Impact Statement.”⁴ The County’s confirmation is consistent with informal
7 non-discretionary assessments that it undertakes on a regular basis, is not appealable to the Coastal
8 Commission under the County’s Coastal Zoning Ordinance (“CZO”) or Coastal Act, and is therefore,
9 final.

10 7. Additionally, Plaintiffs’ span remediation maintenance activities to the SYU Pipelines
11 do not require further Coastal Commission approval via a new CDP or a consistency certification
12 under the Coastal Act and the Coastal Zone Management Act (“CMZA”) because these activities fall
13 within the scope of the existing Development and Production Plan (“DPP”) previously approved by
14 the Department of Interior’s Minerals Management Service (“MMS”), the Coastal Commission-
15 approved CDP for the SYU Pipelines (“CDP No. E-88-1”).

16 8. Thus, the Coastal Commission does not have the authority to order Plaintiffs to cease
17 anomaly repair work and span remediation maintenance activities as purported by its issuance of the
18 NOVs or EDCDO.

19 9. In the Complaint for Declaratory Relief and Damages, Plaintiffs seek damages and
20 declaratory relief on the grounds that:

- 21 a. The Coastal Commission’s issuance of the NOVs and EDCDO prohibits
22 Plaintiffs’ compliance with federal law requiring Plaintiffs to promptly make
23 anomaly repairs and conduct span remediation maintenance activities at the
24 Pipelines as necessary to protect human health and the environment without
25 prior compensation in violation of Article I, Section 19 of the California
26 Constitution and the Takings Clause of the Fifth Amendment of the United
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28 ⁴ County’s February 12, 2025 correspondence, **Exhibit E**, at p. 1.

States Constitution, as incorporated by the Fourteenth Amendment.

- b. The Coastal Commission's NOV's and EDCDO impairs Plaintiffs' vested rights in the continuation of anomaly repair work on the Pipelines as required under obligations set forth in Consent Decrees and applicable federal regulations to ensure safe operation of the Pipelines, and as a result of these vested rights, the Commission may not prohibit the activities previously authorized by approved DPP, FDP, CUP, CDPs, Conditions of Approval, and County's Letter.
- c. The Coastal Commission's prior EDCDO violated California Public Resources Code Section 30803, and its threatened EDCDO regarding the anomaly repair work to the Las Flores Pipelines, should the Coastal Commission seek to enforce it against Plaintiffs, will constitute a further violation under California Public Resources Code Section 30803.

THE PARTIES

10. Plaintiff Sable is a Delaware corporation and does business in Santa Barbara County, California. Sable currently acts as an operator of the Pipelines in Santa Barbara County that is harmed by the Coastal Commission's issuance of the NOV's and EDCDO. As such, Sable has a beneficial interest in the issuance of the writ of mandamus and complaint sought herein.

11. Plaintiff PPC is a Delaware Corporation and does business in Santa Barbara County, California. PPC is the owner of the Pipelines in Santa Barbara County that is harmed by the Coastal Commission's issuance of the NOV's and EDCDO. As such, PPC has a beneficial interest in the issuance of the writ of mandamus and complaint sought herein.

12. Respondent and Defendant Coastal Commission is "a Commission of the State of California established by voter initiative in 1972 (Proposition 20) and later made permanent by the Legislature through adoption of the California Coastal Act of 1976." Specifically, the Coastal Commission is "an independent, quasi-judicial state agency[.]" "[u]nder California's federally-approved Coastal Management Program[] [that] manages development along the California coast

1 except for San Francisco Bay[.]”⁵

2 13. Plaintiffs are unaware of the true names and/or capacities of Respondents and
3 Defendants DOES 1 through 25, inclusive, and therefore sues said Respondents and Defendants by
4 such fictitious names. Plaintiffs will amend this pleading to insert the true names and/or capacities of
5 DOES 1 through 25, inclusive, when the same have been ascertained. Plaintiffs are informed and
6 believe and thereon alleges that each such fictitiously named Respondent and Defendant is, in some
7 manner or for some reason, responsible for the actions or omissions alleged in this pleading, and each
8 is subject to the relief being sought herein.

9 **JURISDICTION AND VENUE**

10 14. This Court has jurisdiction pursuant to article I, section 19 of the California
11 Constitution and section 1060 of the Code of Civil Procedure.

12 15. Venue is proper in this Court because the Pipelines, and anomaly repair work and span
13 remediation maintenance activities thereon which the NOV's and EDCO ordered ceased, are located
14 in Santa Barbara County. The causes of action arose and have caused harm in Santa Barbara County,
15 and thus, venue is proper in this Court pursuant to section 393, subdivision (b), of the California Code
16 of Civil Procedure.

17 **FACTUAL AND LEGAL STATEMENT**

18 **D. The Approvals For the Las Flores Pipelines Contemplated, Analyzed, and Authorized**
19 **the Anomaly Repair Work.**

20 **1. Santa Barbara County Final Development Plan (FDP) and Coastal**
21 **Development Permit (CDP) Background**

22 16. The Coastal Commission first certified the County's LCP in March 1981, at which
23 point the County became the vested coastal development permitting authority in the County's
24 jurisdiction under the Coastal Act. (See Pub. Res. Code, § 30519.)

25 17. The Celeron Pipeline Project (also referred to herein as the "Pipeline Project"), includes
26 Lines CA-324 and CA-325. Line CA-324 is a twenty-four (24) inch diameter pipeline with a

27 _____
28 ⁵See California Coastal Commission's "Mission" Page listed on its Website, accessible at
<https://www.coastal.ca.gov/whoweare.html>.

1 maximum permitted throughput capacity of 150,000-barrels of crude oil per day, which is designed to
2 transport crude oil approximately 10.9 miles from the Las Flores Pump Station in Las Flores Canyon,
3 west along the Gaviota Coast, to the existing Gaviota Pump Station located approximately one mile
4 east of Gaviota State Park in Santa Barbara County. Line CA-325 is thirty (30) inches in diameter,
5 has a maximum permitted throughput capacity of 300,000-barrels of crude oil per day, and is designed
6 to transport crude oil approximately 113.5 miles north from the Gaviota Pump Station to the Sisquoc
7 Pump Station, then east through the Los Padres National Forest and Cuyama Valley, ultimately
8 delivering crude oil to the existing Pentland Delivery Point in the San Joaquin Valley in Kern County.
9 This existing pipeline system also provides a connection to the Phillips 66 Sisquoc Pipeline at the
10 existing Sisquoc Pump Station, which can transport crude oil west to the Phillips 66 Santa Maria
11 Refinery.

12 18. The State Lands Commission and federal Bureau of Land Management and Department
13 of the Interior prepared a joint Environmental Impact Report and Environmental Impact Statement
14 (“EIR/EIS”) for the Pipeline Project pursuant to California Environmental Quality Act (“CEQA”) and
15 National Environmental Policy Act (“NEPA”). During the Pipeline Project’s environmental review
16 under the CEQA and NEPA, the locations of Lines CA-324 and CA-325 were identified as an
17 environmentally superior alignment to minimize impacts to environmental resources (including
18 topography, viewshed, watersheds, etc.).⁶ The State Lands Commission certified the EIR/EIS in
19 January 1985.

20 19. After reviewing the EIR/EIS, the Santa Barbara County Planning Commission made a
21 final decision to approve the Pipeline Project FDP on February 18, 1986. The approval was not
22 challenged during the appeal period and the Planning Commission’s approval action became final and
23 effective. The Planning Commission’s action included the FDP (Case # 85-DP-66cz) and a Major
24 CUP (Case # 83-CP-97cz).⁷ The FDP was required because the Pipeline Project necessitated
25 comprehensive review, and the CUP was required because the pipelines crossed environmentally
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27 ⁶ See County Planning Commission Actions for Celeron Pipeline Project (Mar. 3, 1986), at p.
28 54 [“Overall, the route chosen is environmentally preferable to any complete alternative route.”].

⁷ See County Planning Commission Action on Celeron/All American Pipeline Project FDP.

1 sensitive habitat areas.

2 20. Consistent with the FDP approval and pursuant to the County's certified LCP, the
3 County issued Coastal Development Permit CDP 86-CDP-189 for the Pipeline Project on July 27,
4 1986.

5 21. CDP 86-CDP-189 approved "[c]learing, grading and trenching activities for [the]
6 Celeron Pipeline Project as approved by 85-DP-66cz." The CDP incorporated "[t]he project
7 description, pipeline route, conditions and plans required pursuant to those conditions described by
8 the approved Final Development Plan 85-DP-66cz." CDP 86-CDP-189 also excluded "all activities
9 related to pumpstations, river crossings, pipe stringing, welding, and any other activities not normally
10 performed by the clearing, grading and trenching construction crews."

11 22. On August 5, 1986, the County issued Coastal Development Permit CDP 86-CDP-205
12 for the "[r]emainder of all construction activities for the Celeron Pipeline [P]roject as approved by 85-
13 DP-66cz." CDP 86-CDP-205 also incorporated "[t]he project description, pipeline route, conditions
14 and plans required pursuant to those conditions described by the approved Final Development Plan
15 85-DP-66cz."

16 23. The CDPs were not appealed by any party, including the Coastal Commission. The
17 CDPs are therefore final, valid, and not subject to further appeal.⁸

18 24. Accordingly, the Conditions of Approval for the Las Flores Pipelines' FDP, CUP, and
19 CDPs are all governed under the same Conditions of Approval found in Case #85-DP-66cz, as
20 amended by the County.

21 25. The County has amended the Conditions of Approval from time to time, and as such
22 identifies the Conditions of Approval with reference to each of the following case numbers: 88-DPF-
23 033 (RV01)z, 88-CP-60 (RV01), 88-DPF-25cz, 85 DP-66cz, and 88DP-25cz. Although the County
24 has issued separate CDPs for major pipeline improvements such as relocations and realignments since
25 the Las Flores Pipelines' CDPs were first issued, the County has not required new or amended CDPs
26 for the anomaly work and all of the enumerated conditions relevant to the anomaly repairs at issue,

27 _____
28 ⁸ See Cal. Code Regs., tit. 14 ("Coastal Act Regulations"), § 13313 (CDPs "issued by the local government shall become final unless a valid appeal is filed with the commission").

1 and as discussed *infra*, have remained unaltered.

2 **1. Prior Approvals and Environmental Review for the Las Flores Pipelines**
3 **Approved and Analyzed Repair and Maintenance Activities Including the**
4 **Anomaly Repair Work.**

5 26. Repair and maintenance activities such as the anomaly repair work at issue in the
6 Coastal Commission's NOV 152 and EDCDO, and any related environmental impacts, also were
7 included and evaluated as part of the Pipeline Project's environmental review.⁹

8 27. The Pipeline Project's EIR/EIS explains that its impact analysis extends through the
9 pipelines' entire lifetime, including both pipeline "operation" and "maintenance" and specifically
10 acknowledges that routine maintenance activities, including the anomaly repair work, would occur
11 during the pipelines' ongoing operation.

12 28. For example, the Pipeline Project's EIR/EIS incorporates into the Pipeline Project's
13 project description certain Oil Spill Contingency and Emergency Response Plans that address ongoing
14 pipeline maintenance activities. The EIR/EIS concludes that compliance with these plans would
15 "substantially reduce the oil spill risk" and reduce any significant impacts that would result from a
16 major oil spill, including impacts related to soils, surface water, aquatic biology, and land use and
17 recreation.¹⁰ The County's Statement of Overriding Considerations also concluded that compliance
18 with these plans, identified mitigation measures, and the Conditions of Approval would "mitigate[] as
19 completely as possible" all "potential oil spill impacts" and other potentially significant impacts
20 resulting from the Pipeline Project.¹¹ These plans (which were directly attached to the Draft EIR/EIS
21 and were available for public review and comment) acknowledged the pipelines' ongoing inspection
22 requirements, including by using inspection "PIGs" to "measure the severity of corrosion and to

23 _____
24 ⁹ See Proposed Celeron / All American and Getty Pipeline Projects Environmental Impact
25 Report/Environmental Impact Statement (EIR/EIS), SCH No. 83110902 (1984, 1985). The Draft
26 EIR/EIS for the Pipeline Project is available on the County's website, accessible at
<https://cosantabarbara.app.box.com/s/gc3vhh8ns8aiwketnq35vwbehnhre672>. The Final EIR/EIS for
the Pipeline Project is accessible at
<https://cosantabarbara.app.box.com/s/lk19oo9xdsangevdp6pasfo0cmimvlt>.

27 ¹⁰ Draft EIR/EIS, pp. S-5 through S-14.

28 ¹¹ County Planning Commission Action on Celeron/All American Pipeline Project FDP, at pp.
55-56.

1 inspect pipeline defects.”¹² If required, identified pipeline defects (i.e., anomalies), once detected,
2 would be repaired, “cleaned and recoated” or “removed and replaced,” and “faulty ... sections of pipe
3 would be replaced as necessary.”¹³

4 29. The Pipeline Project’s EIR/EIS imposes no limitation on the number of sites where
5 anomaly repairs may be undertaken at any one time or over the Las Flores Pipelines’ lifetime, and
6 thus, anomaly pipeline repairs contemplated under the Pipeline Project’s EIR/EIS for the Las Flores
7 Pipelines may be undertaken where such work is necessary at the same time or over a condensed
8 period without constituting a new project under CEQA. (See *Committee for a Progressive Gilroy v.*
9 *State Water Resources Control Bd.* (1987) 192 Cal. App. 3d 847, 862-63 [subsequent action approving
10 project operations within limits specified in original EIR does not constitute a new project requiring
11 additional CEQA review]; *County of Mono v. City of Los Angeles* (2022) 81 Cal.App.5th 657, 675
12 [subsequent action authorized by leases already subject to CEQA review does not constitute a new
13 project triggering additional CEQA review].)

14 30. Additionally, the Las Flores Pipeline’s Conditions of Approval, which were
15 incorporated by reference into the Las Flores Pipelines’ FDP, CUP, and CDPs, encompassed the same
16 operational and maintenance components of the Pipeline Project as described in the Pipeline Project’s
17 EIR/EIS, and thus, specifically contemplated and approved ongoing repair and maintenance activities,
18 including the anomaly repair work.¹⁴

19 31. For example, Condition J-11 acknowledges that the pipelines’ right-of-way will be
20 used for “operational maintenance” after construction is completed.¹⁵

21 32. Further, Condition P-2 contemplates that the pipeline operator will conduct “regular
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23 ¹² Draft EIR/EIS, Appendix H, at p. 37.

24 ¹³ *Ibid.*; Final EIR/EIS, RTC 37-4. The EIR/EIS’s conclusions regarding the risk of oil spills,
25 ruptures or leaks were predicated upon the pipeline operator’s ability to repair anomalies detected in
26 the pipelines. See Draft 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.”].

27 ¹⁴ See Conditions of Approval, at 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.”].

28 ¹⁵ Conditions of Approval, at p. 31.

1 maintenance and safety inspections,” “corrosion monitoring and leak detection,” and “periodic safety
2 audits.”¹⁶ Condition P-2 also acknowledges that federal regulations require the Pipelines’ operator to
3 undertake certain repair and maintenance activities such as the anomaly repair work at issue. The
4 County later amended this Condition in 1987 to expressly state that “[p]ermits may not be withheld or
5 suspended due to County concerns which are under the jurisdiction of 49 CFR Part 195 (Transportation
6 of Hazardous Liquids by Pipeline), with the exception of areas/issues agreed to by the permittee and
7 the County.”¹⁷ Anomaly repair work, therefore, falls directly within Sable’s obligations under 49
8 C.F.R. § 195.452(h)(1), which requires operators to “take prompt action to address all anomalous
9 conditions in the pipeline that the operator discovers.” Condition P-2 confirms that required repair
10 and maintenance activities like the Anomaly Repair Work would be undertaken pursuant to the Las
11 Flores Pipelines’ Conditions of Approval, FDP, and CDPs rather than requiring new or modified
12 permits. As described above, the County’s Statement of Overriding Considerations concluded that the
13 Pipelines operator’s compliance with Condition P-2 and other Conditions of Approval would
14 “mitigate[] as completely as possible” all “potential oil spill impacts” and other potentially significant
15 impacts resulting from the Pipeline Project.¹⁸ The County is obligated to ensure compliance with its
16 Statement of Overriding Considerations, including the prompt repair of anomalies, to ensure that
17 significant impacts are mitigated to the maximum extent possible.

18 33. Moreover, the Conditions of Approval contemplate that biological impacts within the
19 Las Flores Pipelines’ operational right-of-way would be permanent, allowing for ongoing repair and
20 maintenance activities like the Anomaly Repair Work. For example, Condition H-1(j) originally
21 required the pipeline operator to develop a “plan for off-site reestablishment of oaks to mitigate
22 impacts to oak savannahs and woodlands along the route.”¹⁹ The County later modified this condition
23 to require the pipeline operator to endow an Alternative Oak Mitigation Program to reestablish oak
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25 ¹⁶ *Id.* at p. 38, Condition P-2.

26 ¹⁷ *Ibid.*

27 ¹⁸ County Planning Commission Action on Celeron/All American Pipeline Project FDP, at pp.
28 55-56.

¹⁹ *Id.* at pp. 23-24.

1 savannahs and woodlands in Santa Barbara County at an off-site location to mitigate for the Project's
2 permanent on-site oak tree impacts.²⁰ Similarly, Conditions H-10 and H-11 required the pipeline
3 operator to, after construction, replace and revegetate any disturbed catalina mariposa lily and refugio
4 manzanita in locations "in or near" the disturbed area, but "exclusive of the operation [right-of-
5 way]." ²¹ Erosion control was the key objective for any required revegetation along the pipelines'
6 operational right-of-way – not the long-term reestablishment of sensitive species – because it was
7 clearly understood that the pipeline's right-of-way would continued to be disturbed by pipeline
8 operation and maintenance.²² These Conditions confirm that any biological impacts along the
9 pipelines' operational right-of-way resulting from the Anomaly Repair Work are within the scope of
10 impacts previously approved by the County.

11 34. Additionally, the Conditions of Approval do not impose any limit or require new
12 permits based on the number of sites where anomaly repairs may be necessary or undertaken at the
13 same time or over a condensed period. Repair and maintenance activities, including the anomaly repair
14 work, fail to trigger any of the narrow circumstances under which the Conditions of Approval would
15 require Sable to obtain a new or modified permit. Condition A-13 provides:

16 [The pipeline operator] shall obtain a new or modified permit, or authority to continue
17 operation under the existing permit prior to undertaking any of the following activities
18 which may, in the judgement of the County, result in significant changes to the impacts
19 on the County. Such changes could include but not be limited to 1) major pipeline or
20 pump station modifications; 2) major changes in pipeline throughput; 3) introduction
21 of production to the pipeline from sources other than those described above [noted as
22 the outer continental shelf and other locally produced onshore and offshore petroleum
23 from the Santa Barbara and Santa Maria Basins], and 4) introduction of a different
24 product from any source.²³

25
26 ²⁰ Conditions of Approval at p. 21.

27 ²¹ *Id.* at p. 22.

28 ²² See, e.g., *id.* at p. 20.

²³ Conditions of Approval, at p. 4.

1 35. The anomaly repair work falls within the scope of approved repair and maintenance
2 activities contemplated by the pipelines' Conditions of Approval, and as analyzed under the Pipeline
3 Project's EIR/EIS, to be undertaken without any subsequent or modified permit or subsequent
4 environmental review because the work does not involve: (1) "major pipeline or pump station
5 modifications," as the anomaly repair work is a standard repair and maintenance activity required by
6 49 C.F.R. § 195.452(h)(1); (2) "major changes in pipeline throughput," because the anomaly repair
7 work will not alter the pipelines' capacity; (3) "introduction of production ... from [new] sources"; or
8 (4) "introduction of a different product."

9 36. On February 12, 2025, the County confirmed in a letter to Sable that the anomaly repair
10 work conducted by Plaintiffs to the Las Flores Pipelines is "authorized by the existing permits (Final
11 Development Plan, Major Conditional Use Permit, and associated Coastal Development Permits) and
12 was analyzed in the prior Environmental Impact Report/Environmental Impact Statement. Thus, no
13 further application to or action by the County is required."²⁴

14 37. The County reached its conclusion after review of detailed descriptions, plans, and
15 assessments provided to the County by Sable that was included in those Zoning Clearance applications
16 concerning anomaly repair work that was ongoing at the time the NOV was received as well as
17 proposed future anomaly repair work in the coastal zone. Because the County's confirmation was
18 based on substantial evidence, it is entitled to deference.²⁵ The County's confirmation is also entitled
19 to deference because it approved the FDP, CUP, CDPs, and Conditions of Approval in the first
20 instance.²⁶

21 38. Although Sable's Zoning Clearance applications allowed the County to confirm that
22 Anomaly Repair Work falls within the scope of the Pipeline Project's existing CDPs, the County also
23 concluded that such work does not actually require Zoning Clearances. As the County explained, its

24 ²⁴ County Letter dated February 12, 2025, **Exhibit E**, at p. 1.

25 ²⁵ See *Kurtzke v. City of San Diego* (2017) 11 Cal.App.5th 1034, 1040 [City's finding under
26 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].

27 ²⁶ See Pub. Res. Code, § 30600.5. Compare *Citizens for Responsible Equitable Environmental*
28 *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].

1 “assessment is consistent with the type of reviews conducted by the County, both inside and outside
2 the Coastal Zone, on a regular basis to determine whether proposed development activities fall within
3 the scope of existing permits.”²⁷ Therefore, based on its review, “no further application to or action
4 by the County is required.”²⁸ This reflects a County understanding that Zoning Clearances should be
5 used before commencing initial construction approved under a final development plan and that Zoning
6 Clearances should not be used for each individual element of the approved development or use
7 throughout the life of a project. Accordingly, the County offered to return the Zoning Clearance
8 applications without taking any action on them other than confirming “that the pipeline anomaly repair
9 work is authorized by the existing permits.”²⁹

10 39. The County’s confirmation is not appealable under the CZO or LCP. The CZO defines
11 certain actions, decisions, and determinations for which an appeal to the Zoning Administrator,
12 Planning Commission, or Board of Supervisors is permitted.³⁰ Such appealable actions include
13 decisions on applications for a CDP or other planning permit, determinations as to the meaning or
14 applicability of the CZO, and other decisions for which the CZO identifies the Planning Director as
15 the applicable decision-maker.³¹ The County’s confirmation that the Anomaly Repair Work was
16 authorized by the Pipeline Project’s previously issued permits does not fall within any of these
17 categories and is not identified under the CZO as an appealable action.

18 40. The County’s letter further confirms that it is “not appealable to the Planning
19 Commission [or] Board of Supervisors.”³² Rather, the County’s confirmation is consistent with
20 informal non-discretionary assessments that the County undertakes on a regular basis as to assess
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22 ²⁷ County Letter dated February 12, 2025, **Exhibit E**.

23 ²⁸ *Ibid.*

24 ²⁹ *Ibid.*

25 ³⁰ See CZO, § 35-57C.

26 ³¹ See *ibid.*, §§ 35-182.3.A, 35-182.4.A.2.

27 ³² See County Letter dated February 12, 2025, **Exhibit E**. The County’s Letter is not a
28 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.

1 whether previously-approved development activities conform with their authorizing permits and
2 approvals. Such ministerial confirmations are not subject to an appeal to any decision-maker within
3 the County.

4 41. Moreover, the County's letter does not constitute an appealable action under the
5 Coastal Act. The County's confirmation that the work was authorized by the existing CDPs is "not
6 appealable to the ... Coastal Commission" because the County is not taking any final action or
7 appealable action on an application for a coastal development permit.³³ Further, the County's letter is
8 not an appealable determination as to whether anomaly repair work is exempt from coastal
9 development permit requirements under the CZO or the Coastal Act.³⁴ The County's letter is not a
10 determination of exemption but is instead a confirmation that the work already has been lawfully
11 authorized through the existing CDPs issued by the County.³⁵ As such, the Coastal Act provides no
12 basis for an appeal to the Coastal Commission of the County's letter confirming that the Anomaly
13 Repair Work falls within the scope of the Pipeline Project's existing approvals. The County's
14 confirmation that the Anomaly Repair Work requires no further Coastal Act authorization is therefore
15 final.

16 **E. The County Has Limited Authority Over the Anomaly Repair Work, Safety Repairs and**
17 **Installation of Underground Safety Valves.**

18 42. On February 8, 1988, the Las Flores Pipelines' original proponent, the Celeron Pipeline
19 Company of California (Celeron), and the County entered into a Settlement Agreement regarding the
20 County's jurisdiction over certain project components.³⁶

21 43. As part of the Settlement Agreement, the County agreed that it was preempted from
22 regulating the Las Flores Pipelines' design, construction, and operation covered under 49 C.F.R. Part
23

24 ³³ See *ibid.*; CZO § 35-186.6; Pub. Res. Code, §§ 30603, 30625; *City of Dana Point v. Cal.*
25 *Coastal Commission* (2013) 217 Cal.App.4th 170, 188-189 [Section 30625 allows Coastal
26 Commission appeals for "quasi-adjudicatory actions" on coastal development permits or claims of
exemption].

27 ³⁴ County Letter dated February 12, 2025, **Exhibit E**.

28 ³⁵ See Pub. Res. Code, § 30625.

³⁶ See Celeron Settlement Agreement (Feb. 8, 1988).

1 195.³⁷

2 44. The Settlement Agreement also creates a presumption of preemption where the activity
3 is: (1) covered by 49 C.F.R. Part 195 (PHMSA’s implementing regulations), (2) deals with the design,
4 construction, or operation of the pipeline even if not expressly specified under 49 C.F.R. Part 195, or
5 (3) performed a foot or more below the ground surface.³⁸

6 45. The County reserved the authority, however, to confirm that the Las Flores Pipelines
7 comply with the Conditions of Approval, allowing the County to ensure that the Las Flores Pipelines
8 were constructed and operated consistent with the Pipeline Project’s EIR/EIS and original County
9 approvals, including the CDPs.

10 46. The Settlement Agreement further details that County lacks authority, however, to
11 require additional permits or authorizations for any work that is expressly or impliedly covered 49
12 C.F.R. Part 195, related to pipeline design, construction, or operation, or is performed a foot or more
13 below the ground surface.³⁹

14 47. Further, on August 30, 2024, Plaintiffs and the County also entered into a settlement
15 agreement in litigation regarding safety valves on the Las Flores Pipelines.⁴⁰ The settlement
16 agreement addresses Plaintiffs’ revised plan regarding proposed safety valves as well as additional
17 surveillance and response enhancements that will be added to the Las Flores Pipelines. In the
18 settlement agreement, followed by a subsequent letter from the County on September 4, 2024, the
19 County confirmed that “it does not have permit authority or jurisdiction over the sixteen (16) safety
20 valves and their ancillary equipment because they are safety valves required by state law [AB 864],
21 related to the operation of an interstate pipeline, and one foot or more underground. [The County]
22 understands the [Las Flores Pipelines] remain[] subject to regulation by the Office of State Fire
23 Marshall and that [Plaintiffs] will be working closely with that office on installation and testing of the
24 safety valves, as well as implementing a number of integrity-related improvements required by that

25
26 ³⁷ See *id.* at p. 2.

27 ³⁸ See *id.* at p. 8.

28 ³⁹ See *ibid.*

⁴⁰ See County Settlement Agreement (Aug. 30, 2024).

1 office.”⁴¹

2 48. As the August 30, 2024 settlement agreement also details, State law AB 864 and the
3 Office of State Fire Marshall require installation of safety valves to the Las Flores Pipelines must be
4 in place before the Las Flores Pipelines may be operated. The Office of the State Fire Marshall holds
5 authority over the restart of the Las Flores Pipelines, oversees installation and testing of the safety
6 valves and implementation of several integrity-related improvements before any operation of the Las
7 Flores Pipelines takes place.⁴² Plaintiffs have since installed the safety valves to the Las Flores
8 Pipelines.

9 **F. The Anomaly Repair Work to the Las Flores Pipelines.**

10 49. Sable detects anomalies by using a roving data gathering instrument, known as an in-
11 line inspection tool referred to as intelligent pipeline integrity gauges (“PIGs”) or smart PIGs that
12 examines a pipeline’s interior as the PIG travels through it. Data collected from the PIG is used to
13 identify the approximate location of anomalies from the surface so that excavation and repair activities
14 can be planned.

15 50. Sable generally must complete the following steps to repair any particular anomaly
16 detected by the PIG: (1) access the affected pipeline segment via existing roadways and rights-of-
17 way, which in some locations requires placing metal plates over water courses; (2) excavate the
18 anomaly site, including the dirt beneath the affected pipeline segment, which in some locations may
19 require dewatering and associated discharge; (3) expose the pipeline segment by removing insulation
20 and sandblasting; (4) evaluate whether a “Composite Repair” or “Cut-Out Repair” is required;⁴³ (5)
21 conduct the Composite or Cut-Out Repair as appropriate, sandblast the repaired pipeline segment, and
22 apply an epoxy coating, pipe tape, and rockguard wrap; (6) backfill the anomaly site to its original
23 contours; and (7) conduct final site cleanup including erosion control and revegetation work
24

25 ⁴¹ County Letter dated September 4, 2024, at p. 1.

26 ⁴² County Settlement Agreement (Aug. 30, 2024).

27 ⁴³ A “Composite Repair” involves wrapping the exposed pipeline segment in a composite
28 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.

(collectively, the “Anomaly Repair Work”). The Anomaly Repair Work requires the use of heavy equipment and may involve the removal of vegetation.

51. Through its pipeline inspection activities, Sable identified one hundred and twenty-one (121) anomalies where Anomaly Repair Work is 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 NOV and a letter regarding the work from the Coastal Commission on October 4, 2024. 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 NOV and October 4 Letter. Sable subsequently backfilled those open sites (without completing the associated anomaly repairs), implemented erosion control best management practices, and hydroseeded the sites with a local native seed mix approved by Commission staff. Finally, twenty-eight (28) remaining anomaly sites have been identified for future Anomaly Repair Work.

52. Plaintiffs proceeded with these activities because they believed they had authorization consistent with past anomaly repair practice at the Las Flores Pipelines. Plaintiffs agreed to stop work in the Coastal Zone in response to the NOV in order to explore Coastal Commission staff’s allegations further with both Coastal Commission staff and the County. TO that end, 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. These Zoning Clearance applications only addressed ongoing and future anomaly repairs. The County reviewed the information Sable submitted with its Zoning Clearance applications and confirmed in a letter dated February 12, 2025, that the anomaly repair work is already authorized by the pipelines’ existing CDPs and, consistent with past practice, no new or separate Coastal Act authorization is required for Sable to perform the work.

G. The Span Remediation Maintenance Activities to the SYU Pipelines Are Authorized Under the Existing Development and Production Plan (“DPP”), CDP, and Consistency Certification.

1. Plaintiffs’ Approved Development and Production Plan (DPP) Background

1 **and Framework**

2 53. In December 1982, Exxon Company, U.S.A. (“Exxon”) submitted a DPP to MMS for
3 the SYU Pipelines.⁴⁴ In January 1983, Exxon submitted a request for consistency certification for
4 expansion of production in the SYU Pipelines. The Coastal Commission’s 1990 Compendium of
5 California Coastal Commission Decisions Under the Federal Consistency Provisions provides a
6 succinct summary of the Coastal Commission’s consideration of the DPP for the SYU Pipelines:

7 The 1983 proposal included two options, each of which included ...
8 platforms, pipelines and electrical cables in [Outer Continental Shelf]
9 waters, and expansion of onshore gas processing facilities to
10 accommodate the new platforms. The two options differed in methods
11 of treatment, storage and transport of the crude produced from the SYU
12 [Pipeline]. Although both options ultimately relied on transport of
13 treated crude by tanker to the Gulf Coast, Option “A” involved
14 expanding the capacity of the existing [onshore treatment facility],
15 while Option “B” involved construction of new onshore oil treatment
16 and storage facilities and a new marine terminal about a mile offshore
17 of El Capitan. In June of 1983 the [Coastal Commission] concurred with
18 the consistency certification for the platforms and pipelines proposed of
19 Option “B”, but objected to Option “A” ... as the preferred means of oil
20 storage and treatment prior to shipment (see CC-7-83).⁴⁵

21 54. On September 20, 1985, MMS approved Option B in the DPP, except it specifically
22 noted that the DPP approval is not a final approval of the pipeline system.

23 55. On September 29, 1987, Exxon’s revised DPP, which provided additional details
24 regarding the installation of three platforms in the SYU Pipelines with associated subsea pipelines

25 _____
26 ⁴⁴ See September 20, 1985 DPP Approval.

27 ⁴⁵ See Coastal Commission, Compendium of California Coastal Commission Decisions Under
28 the Federal Consistency Provisions (March 30, 1990), pp. 265-66, available at:
<https://documents.coastal.ca.gov/assets/fedcd/Compendium-of-CCC-FC-Decisions-OCS-1983-to-present.pdf>.

1 connecting to onshore facilities in Las Flores Canyon, was found complete by MMS. The Coastal
2 Commission received the DPP revision from MMS on December 22, 1987.⁴⁶

3 56. On February 23, 1988, with Consistency Certification No. CC-64-87, the Coastal
4 Commission concurred with Exxon's certification for the revised DPP nearshore and onshore portions
5 of Option B alternative, having already concurred with the Outer Continental Shelf portions of Option
6 B with Consistency Certification No. CC-7-83. The Coastal Commission also approved Coastal
7 Development Permit No. E-88-1 for the nearshore portions of Option B, including the SYU
8 Pipelines.⁴⁷

9 57. On April 4, 1988, MMS approved the revisions to the DPP. This version of the DPP
10 was in existence when the Coastal Commission provided its consistency certification (CC-64-87) and
11 approval of its CDP (E-88-1) for the SYU Pipelines. The DPP has remained as the controlling
12 approval for the SYU Pipelines' installation, as well as for their ongoing maintenance and operation.⁴⁸

13 **1. The DPP, Its Environmental Impact Report/Environmental Impact Report,**
14 **the Consistency Certification, and the SYU Pipelines' CDP Contemplate and**
15 **Authorize Plaintiffs' Span Remediation Maintenance Activities.**

16 58. The DPP addresses the design, construction, and ongoing operation and maintenance
17 of the SYU Pipelines, including relevant geologic and geotechnical design considerations and
18 applicable design codes. The DPP also expressly requires "[a]ll emulsion and gas pipelines will be
19 maintained in good operating condition at all times."⁴⁹ Likewise, the DPP's Environmental Impact
20 Statement/Environmental Impact Report ("DPP EIS/EIR") confirms that "Exxon's [DPP] has been
21 carefully evaluated to assess the effects due to construction and operation of the facilities."⁵⁰

22 **a. The DPP's Design Requirements Incorporate Maintaining Static Loads and**
23

24 ⁴⁶ See April 4, 1988 DPP Approval.

25 ⁴⁷ See Coastal Commission's March 17, 1988 Letter to Exxon, attaching Consistency
26 Certification Concurrence and CDP.

27 ⁴⁸ 1988 DPP.

28 ⁴⁹ *Id.* at section VIII-24.

⁵⁰ Final Environmental Impact Statement/Environmental Impact Report For Santa Ynez
Unit/Las Flores Canyon DPP (June 1984), at p. 6-47.

Spans along the SYU Pipelines

59. The 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 and operated 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.”⁵¹

60. 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 and expressly requires that stress levels from these conditions remain within acceptable limits.⁵²

61. 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 pipeline routes.⁵³ 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.⁵⁴ These criteria were then tailored to the specific locations and directions of the pipelines, ensuring consistency with the platform designs.⁵⁵ This comprehensive approach shows that static loads and spans were integral considerations in the DPP’s planning and design process.

62. The DPP provides 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,

⁵¹ DPP, at VIII-11.

⁵² *Id.* at VIII-11-13.

⁵³ *Id.* at VIII-6-9.

⁵⁴ *Id.* at VIII-12.

⁵⁵ *Ibid.*

1 anchoring, or combinations of these methods.”⁵⁶

2 *b. The DPP Incorporates Accepted Maintenance Practices in American*
3 *Petroleum Institute Publication API RP 1111*

4 63. Plaintiffs must operate and inspect the SYU Pipelines in compliance with API
5 Recommended Practice 1111 (“API 1111”). The DPP states that “[t]he oil and gas pipelines will be
6 designed, constructed, tested, operated and inspected in compliance with the following standard
7 specifications, as applicable: ... Recommended Practice for Design, Construction, Operation and
8 Maintenance of Offshore Hydrocarbon Pipelines, American Petroleum Institute Publication API RP
9 1111.”⁵⁷

10 64. Section 4.1.4 to API 1111 discusses how the design of offshore pipelines should
11 consider static loads. It provides in relevant part:

12
13 These include the weight of the pipe, coating, appurtenances, and
14 attachments; external and internal hydrostatic pressure and thermal
15 expansion loads; and the static forces due to bottom subsidence and
16 differential settlement.

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

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

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

29 *c. The Environmental Impact Statement/Environmental Impact Report for the*

30 ⁵⁶ *Id.* at VIII-14.

31 ⁵⁷ DPP, at VIII-10.

DPP Contemplates Span Remediation Maintenance Activities

65. The DPP EIS/EIR states that the SYU Pipelines will be designed to withstand up to a foot of local deformation of the seafloor and 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.”⁵⁸

66. The DPP EIS/EIR also 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.”⁵⁹

67. The DPP EIS/EIR further notes that “[t]he cumulative geologic impacts are minimized using conventional geotechnical design and construction methods, including ongoing maintenance of slop stabilization operations.”⁶⁰

d. The CDP No. E-88-1 and Consistency Certification

68. The Coastal Commission provided its concurrence in the project’s consistency certification the same day that it approved the project’s CDP No. E-88-1, underscoring the Coastal Commission’s integrated consideration of the DPP and the Coastal Commission’s CDP No. E-88-1:

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

⁵⁸ DPP EIS/EIR at Table 6.3.6-1

⁵⁹ *Ibid.*

⁶⁰ *Id.*, at p. 6-52.

1 prior to Commission concurrence.⁶¹

2 69. CDP No. E-88-1 specifically included, as part of the project description, oil and
3 produced water pipelines from offshore platforms to onshore facilities.⁶²

4 70. The Coastal Commission was aware of and relied upon the State Lands Commission's
5 conditions for the Project leases in state waters, which mandated "[a]nnual side-scan surveys of
6 pipelines to check for bridging or other hazards to the pipeline."⁶³ This requirement was noted as factor
7 in the Coastal Commission's determination that the risks and impacts associated with the project had
8 been mitigated to the maximum extent feasible. The EIS/EIR, which the Coastal Commission also
9 relied upon in connection with its federal consistency certification and CDP approval, further
10 supported this conclusion by noting that "[t]he cumulative geologic impacts are minimized using
11 conventional geotechnical design and construction methods, including ongoing maintenance of slope
12 stabilization operations."⁶⁴

13 71. The Coastal Commission's CDP findings recognized that the Project involved complex
14 geotechnical and environmental considerations, particularly concerning the installation and
15 maintenance of the pipelines. The Coastal Commission's findings highlighted the importance of
16 addressing potential geologic constraints through "proper mitigation," which included "avoidance or
17 ... engineering design."⁶⁵ This is an explicit contemplation of engineering solutions, such as the
18 deployment of 3/1 (sand/cement) bags to create support piers, as viable methods to address issues like
19 pipeline spans caused by changes to geologic conditions. The CDP findings further noted that "[a]ll
20 potential geologic constraints for the project (both onshore and offshore) have been identified and
21 mitigated by avoidance or engineering design.... Soil movement forces have been minimized on the

22
23 ⁶¹Letter from Susan M. Hansch, Manager Energy and Ocean Resources Unit of Coastal
Commission to Exxon Company U.S.A. (March 17, 1988).

24 ⁶² CDP No. E-88-1, at p. 1.

25 ⁶³ Compendium of California Coastal Commission Decisions Under the Federal Consistency
Provisions (March 30, 1990), pp. 254-255, available at:
26 <https://documents.coastal.ca.gov/assets/fedcd/Compendium-of-CCC-FC-Decisions-OCS-1983-to-present.pdf>.

27 ⁶⁴ DPP EIS/EIR, at p. 6-52.

28 ⁶⁵ Coastal Commission Staff Recommendation on Permit and Consistency Certification, at p.
78.

1 project by placing the pipelines directly on the seafloor.”⁶⁶ This finding, consistent with the analysis
2 in the EIR/EIS and the maintenance activities in API 1111 outlined in the existing DPP that was
3 considered by the Coastal Commission in its Consistency Certification, supports providing continued
4 support to the pipelines during operations through the use sandbags to stabilize soil movements.

5 72. The Coastal Commission also recognized the need for flexibility in pipeline
6 construction methods, acknowledging that “[p]ipeline construction methods are presently undefined”
7 and allowing Exxon the latitude to “propose their own design solutions.”⁶⁷ This flexibility permits the
8 adaptation of construction techniques, such as the deployment of the 3/1 sandbags, which align with
9 the original analysis and objectives of the CDP. Further, the Coastal Commission also anticipated that
10 “[d]redge materials will be piled up on one or both sides of the trench, and backfilling will be done
11 where necessary to anchor the lines, and where natural backfill due to local sediment movement is not
12 expected. Exxon expects that armor rock will be needed to secure the lines, but does not know the
13 amount or size.”⁶⁸

14 73. Within the required Marine Construction Mitigation Plan that the Coastal Commission
15 ultimately approved for the SYU Pipelines, Exxon stated it would not trench the seafloor beyond
16 twenty-five foot depths and would “modify only those bedrock ridges beyond that point that may result
17 in unacceptable pipe spans.”⁶⁹ It went on to state that inspection surveys would be completed to
18 “identify unacceptable free spans.”⁷⁰ Thus, the Coastal Commission specifically approved, under the
19 CDP No. E-88-1’s conditions, Plaintiffs’ span remediation maintenance activity to (1) inspect the
20 pipelines for unacceptable free spans, and (2) “modify” the seafloor to remediate any identified
21 unacceptable spans.

22 *e. The DPP’s Regulatory Framework Affirms Plaintiffs’ Span Remediation*
23 *Activities Are Permissible Under the Existing DPP, CDP, and Consistency*

24 ⁶⁶ *Id.* at p. 4.

25 ⁶⁷ *Id.* at p. 44.

26 ⁶⁸ *Id.* at p. 45.

27 ⁶⁹ Final Comprehensive Plan for Marine Biological Impact Reduction and Mitigation in
Nearshore Waters of Las Flores Canyon, at p. 19.

28 ⁷⁰ *Id.* at p. 38.

Certification.

74. Plaintiffs are operating the SYU Pipelines under an approved DPP, and its span remediation activities are consistent with the requirements of 30 CFR § 550.281, which mandates that before conducting activities under an approved DPP, certain approvals and permits must be obtained from the District Manager or Bureau of Safety and Environmental Enforcement (“BSEE”) Regional Supervisor. These include approvals for applications for permits to drill, production safety systems, new platforms, or major modifications, lease term pipelines, and other permits as required by law.

75. The activities in these applications and permits must conform to the activities detailed in the approved DPP. Sable’s span remediation maintenance activities, involving the placement of sandbags to support existing pipelines, is a maintenance activity that aligns with the scope and intent of the approved DPP. Accordingly, BSEE approved Plaintiffs’ span remediation maintenance activities without requiring any amendments to Plaintiffs’ approved DPP for the SYU Pipelines.

76. 30 CFR § 550.281(c) explicitly states that applications for licenses, approvals, or permits to conduct activities under an approved DPP, including those identified in paragraph (a), are not subject to separate State CZMA consistency review. Although Plaintiffs’ span remediation maintenance activities do not fall under the expressly identified activities in paragraph (a), any application for approval under its DPP, such as the request for approval to BSEE for the span remediation maintenance activities, is not subject to a separate CZMA consistency review, reinforcing that Plaintiffs’ span remediation maintenance activities do not require additional consistency certifications.

77. 30 CFR § 550.283(a) clarifies the circumstances that require a revision or supplement to an approved DPP. The enumerated circumstances include changes to the type of drilling rig, production facility, or transportation mode and alterations in the surface location of a well or production platform beyond specified distances. Plaintiffs’ span remediation maintenance activities, involving the placement of sandbags to support and maintain existing pipelines, do not involve any of the types of significant changes listed in 30 CFR § 550.283(a). In contrast, the span remediation maintenance activities are routine maintenance measures that do not alter the type or volume of production, emissions, or waste, nor do they involve any significant changes to infrastructure or

1 operational methods.

2 78. 30 CFR § 250.1008(e) outlines the notification requirements for pipeline repairs. It
3 states that the lessee or right-of-way holder must notify the Regional Supervisor before the repair of
4 any pipeline or as soon as practicable.

5 79. As the regulations require only a notification before repair, rather than a revision to the
6 DPP, the regulations further confirm that Plaintiffs' span remediation maintenance activities are
7 anticipated and do not require amendments to the DPP, additional regulatory approvals, or consistency
8 reviews.

9 *f. The Contemporary Minerals Management Service ("MMS") Manuals*
10 *Support Plaintiffs' Span Remediation Maintenance Activities*

11 80. The 1992 MMS-sponsored Deepwater Pipeline Maintenance and Repair Manual
12 ("Manual")⁷¹ provides insights into the industry-standard practices around the time of the DPP's
13 approval for maintaining and repairing offshore pipelines, particularly concerning span remediation.
14 The Manual notes that span remediation is a routine maintenance procedure and further details that
15 correction of pipeline spans are a "minor intervention," typically involving methods such as stone
16 dumping, grout bag placement, or mattresses, which align with Plaintiffs' span remediation
17 maintenance activities (including Plaintiffs' use of sandbags).

18 *g. Plaintiffs' Span Remediation Maintenance Activities Follow Their*
19 *Predecessor's Past Practice On the SYU Pipelines*

20 81. Likewise, Plaintiffs' span remediation maintenance activities along the SYU Pipelines
21 adhere to past practices on the SYU Pipelines that did not require additional CDPs or consistency
22 certifications. In 2012, the SLC and BSEE issued approvals to Exxon to conduct maintenance on the
23 SYU Pipelines. This work involved installing the same type of concrete bags using the same
24 methodology employed by Plaintiffs in its span remediation maintenance activities to reduce free span
25 lengths on the emulsion, gas, and water pipelines with the SYU Pipelines, addressing recurring spans
26 caused by high currents.

27 _____
28 ⁷¹ See Deepwater Pipeline Maintenance and Repair Manual Prepared for U.S. Department of
Interior Minerals Management Service (June 1992).

1 82. The scope of Exxon’s approved work included the use of a dynamically positioned
2 vessel to conduct an ROV survey of potential span areas and installing cement bag supports on and
3 under the pipelines. This approach was designed to reduce free span lengths, ensuring the continued
4 safe operation of the pipelines. The work was characterized as “minor maintenance and repairs.”⁷²

5 83. Regarding the 2012 maintenance activities, the Coastal Commission staff was copied
6 in a correspondence and aware of the proposed maintenance activities and did not require Exxon to
7 obtain any new CDP or consistency certifications.⁷³ Plaintiffs’ span remediation maintenance
8 activities are fully consistent with Exxon’s maintenance activities from 2012, and similarly do not
9 require a new CDP or consistency certification, and therefore, Plaintiffs are entitled to be treated
10 consistent with the Coastal Commission’s treatment of Exxon’s maintenance activities.

11 **H. The Span Remediation Maintenance Activities to the SYU Pipeline.**

12 84. In July and October 2024, Plaintiffs/Sable conducted remotely operated vehicle
13 (“ROV”) surveys as part of Sable’s State Lands Commission (“SLC”) lease obligations.⁷⁴

14 85. Specifically, the ROV surveys involved a visual pipeline survey including inspection
15 for scour and pipeline spans, a continuous pipeline-to-electrolyte cathodic potential survey, and
16 documentation of anomalies such as damage or debris. The survey was conducted in state waters
17 between July 11th and July 16, 2024 and the survey in federal waters was conducted between October
18 10th and October 16, 20204.

19 86. In addition, and pursuant to the SLC lease obligations, Sable contracted Spire
20 Engineering Services to perform a seismic vulnerability assessment for each of the lines to the SYU
21 Pipeline and to provide a set of maximum allowable span criteria to be used to assess pipeline spans,
22 which revealed that certain pipeline spans along the ocean floor exceeded the allowable span lengths

23
24 ⁷² July 7, 2011 Letter from Exxon to SLC.

25 ⁷³ January 27, 2012 Letter from Exxon to SLC.

26 ⁷⁴ See State Lands Commission Amendment of Leases Nos. PRC 7163 and PRC 4977, Section
27 21.b.i [“Lessee shall adhere to and complete a comprehensive series of standard inspection protocols,
28 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.”].

1 documented in the seismic vulnerability assessment.

2 87. Further, a seismic vulnerability study was also performed for the 12” Gas Pipeline in
3 California state waters, and the maximum allowable spans from that study were compared to identified
4 spans from the ROV survey. No spans on the 12” Gas Pipeline exceeded the maximum allowable
5 span length, and therefore, no remediation within state waters was required.

6 88. To address the spans identified by the ROV survey and, Plaintiffs submitted letters to
7 SLC regarding the span remediation work in state waters and to the BSEE regarding the span
8 remediation work in federal waters. In response, the SLC and BSEE issued approvals for the span
9 remediation work on November 27, 2024⁷⁵ and December 5, 2024, respectively. Sable/Plaintiffs,
10 consistent with the approvals, undertook span remediation maintenance activities in state waters from
11 November 29, 2024 to December 1, 2024, consistent with the API 1111, as outlined in the existing
12 DPP. Sable/Plaintiffs also undertook span remediation maintenance activities in federal waters from
13 December 5, 2024 to December 7, 2024. These activities included conducting a pre-installation
14 survey, deploying sand-to-concrete bags, and positioning them to provide necessary support to the
15 pipeline.

16 89. While no specific earthquake triggered a pause in operations, the inspections that Sable
17 has conducted prior to restart identified areas of the SYU Pipelines that required remedial actions that
18 are consistent with the remedial actions and associated impacts previously considered in the DPP
19 EIS/EIR. Sable’s span remediation maintenance activities are consistent with the “ongoing
20 maintenance of slope stabilization” that was contemplated and analyzed in the DPP EIS/EIR that was
21 considered by the Coastal Commission in connection with its consistency certification and CDP No.
22 E-88-1 for the SYU Pipelines.

23 90. Moreover, Plaintiffs’ span remediation maintenance activities along the SYU Pipelines
24 that involved sandbags under and around the SYU Pipelines to remediate spans that exceeded
25 applicable criteria are consistent with the practices outlined by API 1111 and is therefore contemplated
26 and approved by the DPP.

27 ⁷⁵ SLC provided an email approval to move forward with the span remediation work in state
28 waters on November 27, 2024, followed by an official approval letter dated December 4, 2024.

I. The Coastal Commission’s Issuance of the NOV, EDCDO, and Notice Prior to Issuance of EDCDO Regarding the Anomaly Repair Work and Underground Safety Valves.

91. On September 27, 2024, the Coastal Commission issued a Notice of Violation, Violation File No. V-9-24-0152, to Sable regarding Sable’s repair and maintenance activities along portions of Lines CA-324 and CA-325 and Sable’s installation of the Underground Safety Valves. The NOV alleges that Sable engaged in unpermitted development related to Sable’s work “to address pipeline corrosion” and “to install new safety valves.”⁷⁶

92. On November 12, 2024, the Coastal Commission issued Executive Director Cease and Desist Order No. ED-24-CD-02 without a public nuisance determination. No public nuisance has been shown to be caused by the Las Flores Pipelines. The EDCDO provides, in relevant part:

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, to cease and desist from undertaking any further unpermitted development and immediately undertake steps necessary to avoid irreparable injury to the properties at issue in this order until formal Commission action can occur. Those steps include, among other things, safely securing and stabilizing open pits (“Open Sites”) along the existing Las Flores Pipelines CA-324 and CA-325 within the Coastal Zone (“Pipelines”) and the immediately surrounding areas so as to prevent potentially significant damage to coastal resources until you have received a final coastal development permit[] for the development or the Commission issues an order to restore the site or otherwise takes action to bring the site into a state that is safe and consistent with the law.”⁷⁷

93. The EDCDO states that the “violations addressed in [the EDCDO] involve development that has occurred in the Coastal Zone without the requisite Coastal act authorization, 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

⁷⁶ See September 27, 2024 NOV 152, **Exhibit A**, p. 2.

⁷⁷ See November 12, 2024 EDCDO, **Exhibit B**, at p. 2.

1 water; pipeline removal; replacement, and reinforcement; installation of safety valves; and other
2 development associated with the Las Flores Pipelines CA-324 and CA-325.”⁷⁸ However, the EDCDO
3 did not make a finding of a violation of the Coastal Act.⁷⁹

4 94. The EDCDO further provides “[f]ailure to comply with any term or condition of [the
5 EDCDO], including any deadline contained herein will constitute a violation of [the EDCDO] and
6 subject the parties to exposure for penalties under section 30821.6.”⁸⁰

7 95. On February 16, 2025, the Coastal Commission issued a Notice Prior to Issuance of
8 Executive Director Cease and Desist Order regarding the Las Flores Pipelines.⁸¹ In its letter, the
9 Coastal Commission threatened the “issuance to Sable of a unilateral Executive Director Cease and
10 Desist Order” for Plaintiffs’ anomaly repair work to the Las Flores Pipelines if work is not immediately
11 ceased, confirmed in writing by Plaintiffs by “Monday February 17, 2025, no later than 4pm.”⁸² The
12 Coastal Commission’s letter asserts that anomaly repair work will constitute a “violation” of the
13 Coastal Act and the County’s LCP and states an intention to issue an EDCDO with respect to such
14 work pursuant to Section 30809 of the Coastal Act.

15 96. On February 17, 2025, Sable responded in writing to the Coastal Commission’s letter
16 and notified the Coastal Commission that “an Executive Director Cease and Desist Order [] may not
17 be issued under the Coastal Act and any such issuance would be procedurally improper.”⁸³ Sable
18 explained that “the County confirmed in writing that Sable’s anomaly repair work is authorized by the
19 pipelines’ existing coastal development permits [] and, consistent with the County’s past practices, no
20 new or separate Coastal Act authorization is required for Sable to perform the work.” Further, Sable
21 explained in its letter that none of the circumstances for which the Coastal Commission may issue an
22

23 ⁷⁸ *Id.* at p. 6.

24 ⁷⁹ *Id.* at p. 2, fn. 4 [“Please further note that the term ‘violation,’ as used throughout this letter,
25 refers to alleged violations of the Coastal Act.”].

26 ⁸⁰ *Id.*, at p. 9.

27 ⁸¹ Coastal Commission’s NOI regarding Las Flores Pipelines dated February 16, 2025, **Exhibit**
28 **D.**

⁸² *Id.* at p. 5.

⁸³ Sable’s Letter to Coastal Commission dated February 17, 2025, **Exhibit F.**

1 EDCDO under Section 30809 of the Coastal Act are applicable in these circumstances with respect to
2 the anomaly repairs to the Las Flores Pipelines.

3 97. An EDCDO may be issued when the Executive Director determines that an activity has
4 been (or is threatened to be) undertaken that “may require a permit *from the commission* without
5 securing a permit.”⁸⁴ Second, an EDCDO may be issued when the Executive Director determines an
6 activity that has been (or is threatened to be) undertaken “may be inconsistent with any permit
7 *previously issued by the commission*.”⁸⁵ Neither of these scenarios are present here. The County’s
8 February 12, 2025 letter confirmed, along with Sable’s February 14, 2025 letter to the Coastal
9 Commission, that Plaintiffs’ anomaly repair work was authorized by the Las Flores Pipelines’ existing
10 CDPs, which were issued by the County – *not the Coastal Commission*.⁸⁶ All of Sable’s anomaly
11 repair work, as confirmed through Sable’s submissions to the County, is within the County’s
12 permitting jurisdiction under the LCP. The February 17, 2025 letter does not allege, and the anomaly
13 repair work does not require, any new or amended coastal development permit “from the Commission”
14 and is not subject to a CDP “previously issued by the Commission.”⁸⁷ Therefore, the Coastal
15 Commission may not issue an EDCDO for these activities.

16 98. An EDCDO also may be issued “to enforce any requirements of a certified local coastal
17 program ..., or any requirements of [the Coastal Act].”⁸⁸ The Coastal Act specifically limits EDCDOs
18 issued under this third scenario to “the following circumstances”:

- 19 (1) “The local government ... requests the commission to assist with, or assume primary
20 responsibility for, issuing a cease and desist order;”
21 (2) “The commission requests and the local government ... declines to act, or does not take
22 action in a timely manner, regarding an alleged violation which could cause significant
23 damage to coastal resources;” or

24 ⁸⁴ Coastal Act (Pub. Res. Code), § 30809(a) (emphasis added).

25 ⁸⁵ *Ibid.*

26 ⁸⁶ See County Letter dated February 12, 2025, **Exhibit E**; Sable’s February 14, 2025 Letter,
27 **Exhibit G**; County Coastal Development Permit 86-CDP-189 (Jul. 27, 1986); and County Coastal
28 Development Permit 86 CDP-205 (Aug. 5, 1986).

⁸⁷ Coastal Act, § 30809(a).

⁸⁸ *Ibid.*

1 (3) “The local government ... is a party to the violation.”⁸⁹

2 99. Allowing the Coastal Commission’s Executive Director to issue an EDCDO for a
3 purported violation of a certified local coastal program or the Coastal Act only in these three situations
4 ensures that the Coastal Commission does not circumvent the local government’s delegated authority
5 under the Coastal Act to implement its local coastal program.⁹⁰ However, the Coastal Commission’s
6 February 17, 2025 letter also does not allege that any of the three potential prerequisites for the
7 issuance of an EDCDO for a purported violation of the Coastal Act or the County’s LCP actually apply
8 here. To the contrary:

9 (1) The County has not requested the Coastal Commission to assist with, or assume primary
10 responsibility for, issuing an EDCDO. Instead, the County has confirmed in writing that
11 the anomaly repair work “is authorized by the [pipelines’] existing ... Coastal
Development Permits[.]”⁹¹

12 (2) The County has not declined to act upon a request from the Coastal Commission
13 regarding Sable’s anomaly repair work. While the Coastal Commission has requested
14 additional information from the County, including copies of Sable’s zoning clearance
15 applications for the anomaly repair work and “permit files and records” relied upon by
the County in assessing whether such work falls within the scope of the existing CDPs,
the Coastal Commission has not requested that the County take action on an alleged
violation.⁹²

16 (3) The County is not alleged to be a party to the activities asserted by the Coastal
17 Commission’s February 16, 2025 letter to constitute a violation.

18 100. Thus, none of the prerequisites to issuing an EDCDO exist and it would be procedurally
19 improper for the Coastal Commission to issue an EDCDO for the anomaly repair work at the Las
20 Flores Pipelines as a result.

21 **J. The Coastal Commission’s Issuance of the NOV Regarding the Span Maintenance**
22 **Activities.**

23 101. On February 11, 2025, the Coastal Commission issued Notice of Violation, Violation
24 File No. V-9-25-0013, to Sable regarding Sable’s span remediation maintenance activities along the

25
26 ⁸⁹ *Id.*, § 30809(a)(1)-(3).

27 ⁹⁰ See *id.*, § 30519(a).

28 ⁹¹ County Letter dated February 12, 2025, **Exhibit E**.

⁹² Coastal Commission’s Letter dated February 16, 2025, **Exhibit D**, at p. 2.

1 SYU Pipelines. The NOV allege that Plaintiffs are in violation for “[u]npermitted offshore
2 development including, but not necessarily limited to, deploying sand/cement bags on the seafloor and
3 positioning them to provide support to Sable’s out-of-service offshore oil and water pipelines as part
4 of an effort to restart SYU oil production operations and bring the pipelines back into use[.]”⁹³

5 102. The NOV for the SYU Pipelines further states that “without first obtaining Commission
6 authorization, Sable placed bags and pallets of concrete fill material in coastal waters below 14
7 sections of two seafloor pipelines totaling over 750 linear feet, constituting unpermitted fill of coastal
8 waters. As noted above, prior to placing this fill material, Sable had been informed by Coastal
9 Commission staff that such placement would require a permit from the Commission.”⁹⁴

10 103. The NOV for the SYU Pipelines additionally states that “[t]he placement of bags of
11 concrete and pallets within 14 pipeline sites across roughly 750 linear feet, as described above, clearly
12 constitutes “development” under the Coastal Act. Coastal Act Section 30600(a) requires Sable to
13 obtain a CDP prior to performing or undertaking any development activity in the Coastal Zone, in
14 addition to obtaining any other permit required by law. No such CDP was obtained, and therefore the
15 unpermitted development activities described above constitute Coastal Act violations.”⁹⁵

16 104. As a result of the issuance of the NOVs and EDCDO, Plaintiffs have suffered damages
17 consisting of, but not limited to, lost revenues and profits for Plaintiffs inability to repair and operate
18 the Pipelines and incurred costs including payroll and other costs anticipated with Plaintiffs’ ability to
19 operate and maintain the Pipelines within Plaintiffs’ rights without additional authorizations or
20 approvals.

21 **FIRST CAUSE OF ACTION**

22 **Complaint for Damages – Violation of Article I, Section 19 of the California Constitution** 23 **(Inverse Condemnation) and Violation of the Takings Clause of the** 24 **Fifth and Fourteenth Amendments to the United States Constitution**

25 105. Plaintiffs reallege and incorporate herein by reference all foregoing paragraphs.

26 ⁹³ NOV, Violation File No. V-9-25-0013, **Exhibit C**, at p. 1.

27 ⁹⁴ *Id.* at p. 3.

28 ⁹⁵ *Id.* at p. 4.

1 106. At the time of the Coastal Commission's acts alleged herein, PPC was the owner of the
2 Pipelines and Sable was operating the Pipelines.

3 107. Sable has a vested right to continue its operations and perform repair and maintenance
4 activities on the Pipelines as contemplated and previously authorized under the DPP, FDP, CUP,
5 CDPs, Conditions of Approval, and County Letter.

6 108. The Coastal Commission's issuance of the NOV's and EDCDO, requiring Sable to halt
7 all repair and maintenance activities on the Pipelines, substantially impairs Sable's property rights to
8 operate at the Pipelines, and PPC's property right in the Pipelines, for the benefit of the public without
9 prior compensation to Sable or PPC.

10 109. In taking action to issue the NOV's and EDCDO, the Coastal Commission violated
11 Article I, Section 19 of the California Constitution, which prohibits the temporary or permanent taking
12 or damaging of private property for public use without prior, just compensation. Further, the Coastal
13 Commission violated the takings clause of the Fifth Amendment to the U.S. Constitution, as
14 incorporated by the Fourteenth Amendment, which prohibits the temporary or permanent taking of
15 private property for public use without prior, just compensation.

16 110. As a direct result of the Coastal Commission's actions as alleged herein, the
17 enforcement of the NOV's and EDCDO will interfere with Plaintiffs' reasonable investment-backed
18 expectations.

19 111. To date, Plaintiffs have not received any compensation from the Coastal Commission
20 on account of the above alleged taking of, or damage to, their rights concerning the Pipelines. The
21 Coastal Commission failed to ascertain the just compensation due to Plaintiffs prior to issuance of the
22 NOV's and EDCDO.

23 112. As a direct and proximate result of the Coastal Commission's violation of Article 1,
24 Section 19 of the California Constitution and the takings clause of the Fifth Amendment of the U.S.
25 Constitution, as alleged above, Plaintiffs have been and will be damaged from the interference with
26 its reasonable investment-backed expectations in their respective interests in the Pipelines and will
27 suffer further damages in an amount to be determined at trial.

28 113. Plaintiffs are entitled to damages and attorneys' fees for the Coastal Commission's

1 constitutional violation under Sections 1983 and 1988 of the Federal Civil Rights Act of 1871.

2 **SECOND CAUSE OF ACTION**

3 **Declaratory Relief – Impairment of Plaintiffs’ Vested Rights**

4 114. Plaintiffs reallege and incorporate herein by reference all foregoing paragraphs.

5 115. Sable seeks a declaration from this Court that Sable has a vested right in the
6 continuation of its operation of the Pipelines, in particular as it relates to the impairment of Sable’s
7 interests in the Pipelines by virtue of the NOV’s and EDCDO. Sable further seeks a declaration that, if
8 a vested right exists, Defendant violated it when the Coastal Commission issued the NOV’s and
9 EDCDO.

10 116. Sable or its predecessors has a property interest in operating the Pipelines.

11 117. PPC seeks a declaration from this Court that PPC has a vested right [of ownership] of
12 the Pipelines, in particular as it relates to the impairment of PPC’s ownership interests in the Pipelines
13 by virtue of the NOV’s and EDCDO. PPC further seeks a declaration that, if a vested right exists,
14 Defendant violated it when the Coastal Commission issued the NOV’s sand EDCDO.

15 118. PPC has a property interest in the Pipelines.

16 119. The doctrine of vested rights seeks to protect property owners and developers who have
17 substantially relied on past permits and proceeded accordingly with the government’s
18 acknowledgement. The doctrine protects a permit holder’s right not only to construct, but also to use
19 the premises as authorized by the permit. (*Cnty. of San Diego v. McClurken* (1951) 37 Cal. 2d 683,
20 691.)

21 120. Sable [or its predecessors] has a vested right to operate the Pipelines, consistent with
22 long-established DPP, FDP, CUP, CDPs, Conditions for Approval, and County Letter. Sable’s vested
23 rights to operate the Pipelines include conducting repair and maintenance activities required under the
24 DPP, FDP, CUP, CDPs, and Conditions of Approval and 49 C.F.R. Part 195.

25 121. The Coastal Commission impairs Sable’s vested rights through the issuance of the
26 NOV’s and EDCDO, requiring Sable to halt anomaly repair work and span remediation maintenance
27 activities previously authorized by the FDP, CUP, CDPs, Conditions of Approval, and County Letter,
28 and as required by 49 C.F.R. Part 195.

122. The Coastal Commission impairs PPC's vested rights through the issuance of the NOV and EDCDO, prohibiting it from enjoying the benefits to the Pipelines of the anomaly repair work and span remediation maintenance activities previously authorized by the DPP, FDP, CUP, CDPs, Conditions of Approval, and County Letter, and as required by 49 C.F.R. Part 195.

123. Plaintiffs seek a judicial declaration of the rights and obligations of the respective parties.

124. Judicial resolution of this dispute and a declaration by the Court is necessary to determine if Sable has a vested right in the continuation of its operation of the Pipelines, in particular as it relates to the impairment of Plaintiffs' interests in the Pipelines by virtue of the Coastal Commission's NOV's and EDCDO halting all maintenance activities, and, if so, whether the Coastal Commission's issuance of the NOV's and EDCDO was an improper infringement of this vested right and should be set aside.

THIRD CAUSE OF ACTION

Declaratory Relief - Inverse Condemnation

125. Plaintiffs reallege and incorporate by reference the foregoing paragraphs as though fully set forth herein.

126. The NOV's and EDCDO are invalid because they substantially impair Sable's vested rights in the continuation of its operations at the Pipelines as previously authorized by the DPP, FDP, CUP, CDPs, Conditions of Approval, and County Letter.

127. The Coastal Commission via its issuance of the NOV's and EDCDO prohibits Plaintiffs' compliance with federal law requiring Plaintiffs to promptly make anomaly repairs and conduct span remediation maintenance activities at the Pipelines as necessary to protect human health and the environment. The Coastal Commission, therefore, violated Article 1, Section 19 of the California Constitution, which prohibits the temporary or permanent taking or damaging of private property for public use without prior, just compensation. Further, Coastal Commission violated the takings clause of the Fifth Amendment to the U.S. Constitution, as incorporated by the Fourteenth Amendment, which prohibits the temporary or permanent taking of private property for public use without prior, just compensation.

128. Plaintiffs' ability to comply with federal laws and regulations to ensure the protection of human health and safety at the Pipelines by conducting anomaly repair work and span remediation maintenance activities will be materially, substantially, and irreparably harmed by the NOV's and EDCDO.

129. A bona fide and actual controversy exists between Plaintiffs and the Coastal Commission in that Plaintiffs allege, and the Coastal Commission denies, that the NOV's and EDCDO violate Article 1, Section 19 of the California Constitution and the Takings Clause of the Fifth and Fourteenth Amendments to the United States Constitution.

130. Plaintiffs desire a judicial determination of the validity of the NOV's and EDCDO to save itself from the harm caused by their issuance, which will prevent Sable from performing the anomaly repair work and span remediation maintenance activities at the Pipelines. Plaintiffs' interests in complying with federal law and applicable regulations to perform the necessary anomaly repair work and span remediation maintenance activities in order to protect human health and the environment will be materially, substantially, and irreparably harmed by the enforcement of the NOV's and EDCDO.

FOURTH CAUSE OF ACTION

Declaratory Relief – Cal. Pub. Resources Code § 30803

131. Plaintiffs reallege and incorporate by reference the foregoing paragraphs as though fully set forth herein.

132. Plaintiffs “may maintain an action for declaratory relief and equitable relief to restrain any violation of a cease and desist order issued pursuant to Section 30809 or 30810[.]” (Cal. Pub. Resources Code § 30803.)

133. The Coastal Commission EDCDO (ED-24-CD-02) impairs Plaintiffs' continuation of anomaly repair work on the Pipelines as required under obligations set forth in Consent Decrees and applicable federal regulations to ensure safe operation of the Pipelines, and the Commission may not prohibit the activities previously authorized by approved DPP, FDP, CUP, CDPs, Conditions of Approval, and County's Letter.

134. To the extent the Coastal Commission seeks to enforce EDCDO (ED-24-CD-02),

1 Plaintiffs invoke the provisions of California Public Resources Code Section 30803 to restrain such a
2 violation by the Coastal Commission.

3 135. The Coastal Commission has formally threatened to issue a second EDCDO regarding
4 further anomaly repair work to the Las Flores Pipelines, notwithstanding that the anomaly repair work
5 had already previously been authorized by the FDP, CUP, CDPs, Conditions of Approval, and County
6 Letter, and are further required by 49 C.F.R. Part 195.

7 136. To the extent the Coastal Commission seeks to enforce its EDCDO as threatened in its
8 February 16, 2025 letter to Sable,⁹⁶ Plaintiffs invoke the provisions of California Public Resources
9 Code Section 30803 to restrain such a violation by the Coastal Commission.

10 **PRAYER FOR RELIEF**

11 WHEREFORE, Plaintiffs pray for judgment as follows:

12 1. For a declaration that the Coastal Commission's NOV's and EDCDO are unlawful and
13 void as they infringe upon and violate Plaintiffs' vested rights.

14 2. For a declaration that the Coastal Commission's NOV's and EDCDO are unlawful and
15 void as they violate Article I, Section 19 of the California Constitution and the takings clause of the
16 Fifth and Fourteenth Amendments to the United States Constitution.

17 3. For a preliminary and permanent injunction prohibiting the Coastal Commission from
18 taking any action in the furtherance of enforcing any Notice of Violation for the anomaly repair work
19 or span remediation maintenance activities at the Las Flores Pipelines and SYU Pipelines,
20 respectively, as the Coastal Commission lacks the authority to pursue any such remedies.

21 4. For a preliminary and permanent injunction prohibiting the Coastal Commission from
22 taking any action in the furtherance of enforcing any Executive Director Cease and Desist Order for
23 the anomaly repair work or span remediation maintenance activities at the Las Flores Pipelines and
24 SYU Pipelines, respectively, as the Coastal Commission lacks the authority to pursue any such
25 remedies.

26 5. For damages for just compensation and interest thereon, according to proof, for the
27

28 ⁹⁶ See Coastal Commission's Letter dated February 16, 2025, **Exhibit D**.

1 temporary and permanent taking of Plaintiffs' property in violation of Article I, Section 19 of the
2 California Constitution and the Fifth Amendment to the United States Constitution.

3 6. For reasonable attorneys' fees incurred in this matter pursuant to sections 1021.5 or
4 1036 of the California Code of Civil Procedure and other applicable law.

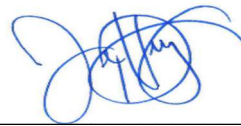
5 7. For Plaintiffs' costs of suit incurred herein.

6 8. For such other and further relief as the Court deems just and proper.

7
8 DATED: February 18, 2025

Respectfully submitted,

9 **ALSTON & BIRD**
10 JEFFREY D. DINTZER
11 MATTHEW C. WICKERSHAM

12 

13 _____
Jeffrey D. Dintzer

14 Attorneys for Plaintiffs
15 **SABLE OFFSHORE CORP.**
16 **PACIFIC PIPELINE COMPANY**
17 **PACIFIC OFFSHORE PIPELINE COMPANY**
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VERIFICATION

I, Steven P. Rusch, am Vice President of Regulatory and Environmental Affairs of Sable Offshore Corp., and I am an Authorized Representative of Pacific Pipeline Company. I am authorized to execute this verification on behalf of them. I have read the attached Verified Complaint for Damages and Declaratory and Injunctive Relief and am familiar with its contents. The facts provided in the petition and complaint are true of my personal knowledge, except for those alleged on information and belief, and I believe those to be true.

DATED: February 17, 2025



Steven P. Rusch

EXHIBIT A

CALIFORNIA COASTAL COMMISSION

455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400

**NOTICE OF VIOLATION****Sent by Electronic Mail**

September 27, 2024

Steve Rusch
VP Environmental & Regulatory Affairs
Sable Offshore Corp.
srusch@sableoffshore.com

Violation File No.: **V-9-24-0152** (Sable Offshore Corporation)

Location: At various locations along the existing Las Flores Pipelines CA-324 and CA-325 (previously known as Lines 901 and 903), which are part of the pipeline system originally constructed by Plains All American in 1988, spanning from the Gaviota coast to the Los Padres National Forest within Santa Barbara County, on 16 different properties.

Violation¹ description: Unpermitted development in the Coastal Zone, including, but not necessarily limited to, excavation with heavy equipment and other activities associated with the Line 324 and 325.

Dear Mr. Rusch:

As you have recently discussed with Cassidy Teufel and Wesley Horn of our staff, it has come to our attention that unpermitted activities are currently taking place in the Coastal Zone, including excavation and other activities at various locations along the existing Lines 324/325 (formerly known as Lines 901/903) now owned by Sable Offshore Corp. ("Sable")

¹ Please note that the description herein of the violation at issue is not necessarily a complete list of all unpermitted development on the subject property that is in violation of the Coastal Act and the Santa Barbara County LCP. Accordingly, you should not treat the Commission's silence regarding (or failure to address) other unpermitted development on the subject property as indicative of Commission acceptance of, or acquiescence in, any such development. Please further note that the term "violation" as used throughout this letter refers to alleged violations of the Coastal Act/County LCP.

associated with a proposed restart of the Santa Ynez Unit. These activities constitute violations of the Coastal Act² and Santa Barbara County's Local Coastal Program ("LCP").

As you may know, the California Coastal Act was enacted by the State Legislature in 1976 to provide long-term protection of California's 1,250-mile coastline through implementation of a comprehensive planning and regulatory program designed to manage conservation and development of coastal resources. The California Coastal Commission ("Commission") is the state agency created by, and charged with administering, the Coastal Act of 1976. In making its permit and land use planning decisions, the Commission carries out Coastal Act policies, which, amongst other goals, seek to protect and restore sensitive habitats; protect natural landforms; protect scenic landscapes and views of the sea; protect the marine environment and its inhabitants; protect against loss of life and property from coastal hazards; and provide maximum public access to the sea. The Commission plans and regulates development and natural resource use in the coastal zone in keeping with the requirements of the Coastal Act.

Violations

It has been confirmed that Sable is currently performing various unpermitted construction activities in the Coastal Zone associated with upgrades to Lines 324/325 in connection with Sable's proposed restart of that pipeline.³ As part of that proposed restart, Sable is currently undertaking work including a pipeline upgrade project to address pipeline corrosion in locations within the Coastal Zone and to install new safety valves in portions of the pipeline in the Coastal Zone. These activities constitute development and are not exempt from coastal development permit ("CDP") requirements.

Pursuant to Section 30106 of the Coastal Act and Section 35-58 the Santa Barbara County Local Coastal Program ("LCP"):

*"Development" means, on land, in or under water, the placement or erection of any solid material or structure; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; **grading, removing, dredging, mining, or extraction of any materials**; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act...change in the intensity of use of water, or of access thereto; **construction, reconstruction, demolition, or alteration of the size of any structure**...*
(emphasis added)

² The Coastal Act is codified in the California Public Resources Code, sections 30000 to 30900. Unless otherwise indicated, references to section numbers in this letter are to that code, and thus, to the Coastal Act.

³ The California Office of the State Fire Marshall has not reviewed or approved the proposed restart of the pipeline, which includes a review of a proposed State Waiver and a final Restart Plan, among other required materials. The Commission's investigation of this matter is continuing, and it reserves its right to review the proposed restart and other associated activities or other matters concerning the pipeline.

Under this definition, the unpermitted development activities, as described above, constitute “development” under the Coastal Act and the County’s LCP. Coastal Act Section 30600(a), and Section 35-58 of the Santa Barbara County LCP, require Sable to obtain authorization under the Coastal Act and/or the LCP prior to performing or undertaking any development activity in the Coastal Zone, in addition to obtaining any other permit required by law. Any non-exempt development activity conducted in the Coastal Zone without such authorization constitutes a violation of the Coastal Act/LCP. Thus, the unpermitted development activities described above constitute Coastal Act and LCP violations.

In addition, the upgrade project does not qualify as CDP-exempt repair and maintenance work. Activities that “result in addition to, or enlargement or expansion of, the object” of the activities require a CDP under the Coastal Act and the LCP. (Public Resources Code § 30610(d); Coastal Zoning Ordinance § 35-169.2; Appendix C, Section I.) At a minimum, because the project involves the installation of safety valves, this is an addition to the pipeline that does not qualify as “repair and maintenance.” Even if the project could be considered repair and maintenance (which it cannot), Section 30610(d) of the Coastal Act and the Appendix C, Section III of the LCP nonetheless require a CDP for categories of repair and maintenance activities that are designated as presenting a “risk of substantial adverse environmental impact.” These include the following:

- (3) Any repair or maintenance to facilities or structures or work located in an environmentally sensitive habitat area, any sand area, within 50 feet of the edge of a coastal bluff or environmentally sensitive habitat area, or within 20 feet of coastal waters or streams that include: . . .

(B) The presence, whether temporary or permanent, of mechanized equipment or construction materials.

Title 14, California Code of Regulations § 13252(a)(3); Coastal Zoning Ordinance § 35-169.2; Appendix C, Section III(a)(3).)

Furthermore, although Sable appears to have taken the position that the upgrade project involves work for which the Coastal Act requirement for a CDP is entirely preempted, this is incorrect. Although the California Office of the State Fire Marshall has authority over certain aspects of pipeline safety under the federal Pipeline Safety Act (49 U.S.C § 60101 *et seq.*), any resulting preemption is limited in scope. Other state agencies, as well as local governments, may review and impose requirements related to other issues. Thus, the Commission and the County have jurisdiction to review and impose requirements relating to consistency with the Coastal Act and the LCP that do not pertain directly to pipeline safety. For example, a CDP review for construction impacts to environmentally sensitive habitat areas, cultural resources, water quality, or public access (to name a few) are not preempted. Finally, the 1988 settlement between the County and Celeron Pipeline Company does not affect the preemption analysis because the settlement cannot contractually limit the County’s duties under the law or the applicability of the law. Thus, a CDP is required for the upgrade project.

Resolution

To begin resolution of the Coastal Act/LCP violations, please cease Immediately any unpermitted activities/development in the Coastal Zone associated with Lines 324/325.⁴ At this time, we have no information that any development activities are currently taking place related to the three offshore platforms and offshore pipelines owned by Sable. However, if any such activities are taking place, please cease those as well. These are all activities that require a CDP and/or federal consistency review from the Commission.

Please note that in certain cases when unpermitted development takes place, but Commission staff believe that some version of the work could have been found to be consistent with the applicable standard of review and authorized accordingly, staff recommends that the party undertaking the development submit a CDP application to the regulating authority (in this case, Santa Barbara County), seeking after-the-fact ("ATF") authorization for the previously undertaken unpermitted development within the County's LCP jurisdiction. In other cases, when staff has determined that the unpermitted development is not something for which staff would recommend approval due its inconsistency with the Coastal Act/certified LCP, staff advises the alleged violator to seek resolution through removal, mitigation, restoration, and/or payment of penalties, etc., and not to seek a CDP to authorize such development.

In this case, we are uncertain at this time whether Santa Barbara County would be able to approve a CDP application from Sable that was seeking ATF authorization for the unpermitted construction activities that have already taken place, as well as authorization going forward for continued construction or other development activities related to the pipeline, such as the installation of safety valves. More information regarding the project would be necessary to come to any such conclusion at this time; however, since such an application might be found approvable by the County, we recommend that you submit a CDP application to the County as soon as possible. Please note that should the County grant approval of such a CDP application, those portions of the project that are located within the Coastal Commission's appeals jurisdiction would be appealable to the Commission and those portions of the project, if any, that are located within the Commission's original jurisdiction would require a CDP from the Commission.

To help us evaluate the project, it would be helpful if you could submit to us a complete description of all development activities currently taking place, as well as those activities that are being contemplated (e.g., installation of safety valves; any work to the platforms or offshore pipeline) prior to the anticipated restart of the pipeline, including scope of the project; exact locations of where the development activities are taking place/will take place; project schedule, etc.

Enforcement Remedies

⁴ Please note that interim measures to stabilize the site may also be necessary to avoid damages to coastal resources, and any such measures should be coordinated with Commission and County staff to avoid additional harm and to ensure consistency with Coastal Act/LCP requirements.

Santa Barbara County has declined to enforce the above-noted Coastal Act/LCP violations, and thus, pursuant to Section 30810 of the Coastal Act, the Coastal Commission is pursuing enforcement regarding the Coastal Act/LCP violations described above.

Please note that the recent Settlement Agreement between Sable and the County does not preempt the Coastal Act or the LCP, and does not obviate the need for Sable to seek authorization for development activities in the Coastal Zone.

Whenever possible, Commission enforcement staff prefers to work cooperatively with alleged violators to resolve Coastal Act violations administratively. We are hopeful that we can resolve this matter without resorting to formal action. However, should we be unable to resolve this matter through this process, please be advised that the Coastal Act has a number of potential remedies to address violations of the Coastal Act, including the following:

Section 30809 states that if the Executive Director of the Commission determines that any person has undertaken, or is threatening to undertake, any activity that may require a permit from the Coastal Commission without first securing a permit, the Executive Director may issue an order directing that person to cease and desist. Section 30810 states that the Coastal Commission may also issue a cease and desist order. A cease and desist order may be subject to terms and conditions that are necessary to avoid irreparable injury to the area or to ensure compliance with the Coastal Act. Section 30811 also provides the Coastal Commission the authority to issue a restoration order to address violations at a site. A violation of a cease and desist order or restoration order can result in civil fines of up to \$6,000 for each day in which each violation persists.

Additionally, Sections 30803 and 30805 authorize the Commission to initiate litigation to seek injunctive relief and an award of civil fines in response to any violation of the Coastal Act. Section 30820(a)(1) provides that any person who undertakes development in violation of the Coastal Act may be subject to a penalty amount that shall not exceed \$30,000 and shall not be less than \$500 per violation. Section 30820(b) states that, in addition to any other penalties, any person who "knowingly and intentionally" performs or undertakes any development in violation of the Coastal Act can be subject to a civil penalty of not less than \$1,000 nor more than \$15,000 per violation for each day in which each violation persists.

Finally, as of January 1, 2022, the Commission's administrative penalty authority was expanded, allowing the Commission to administratively impose penalties for all violations of the Coastal Act. Section 30821 and Section 30821.3 collectively authorize the Commission to impose administrative civil penalties in an amount of up to \$11,250 per day for each violation.

Failure to resolve the violations noted above could result in formal action under the Coastal Act. Said formal action could include a civil lawsuit, the issuance of an Executive Director

Cease and Desist Order or Commission Cease and Desist and/or Restoration Order, and/or imposition of monetary penalties, as described above, including imposition of administrative penalties.

We understand that you will be meeting soon with our staff to discuss the pipeline situation. Please contact me by telephone at **415-904-5269** or by email at jo.ginsberg@coastal.ca.gov within a week of that meeting, or by October 21, 2024, whichever is earlier, to discuss how you intend to resolve the Coastal Act/LCP violations associated with the pipeline. Also, you may contact Wesley Horn at Wesley.Horn@coastal.ca.gov to discuss any permitting or planning issues associated with the pipeline.

Failure to meet the deadline noted above may result in formal action by the Commission to resolve this Coastal Act violation, including initiation of the enforcement remedies discussed above.

Thank you for your cooperation and prompt attention to this matter. I look forward to speaking with you soon.

Sincerely,



Jo Ginsberg,
Enforcement Analyst

cc: Kate Huckelbridge, CCC, Executive Director
Cassidy Teufel, CCC, Deputy Director
Lisa Haage, CCC, Chief of Enforcement
Sarah Esmaili, CCC, Senior Attorney
Pat Veesart, CCC, Enforcement Supervisor
Aaron McLendon, CCC, Deputy Chief of Enforcement
Alex Helperin, CCC, Assistant Chief Counsel
Joseph Street, CCC, EORFC Program Manager
Jonathan Bishop, CCC, Oil Spill Program Coordinator
Wesley Horn, CCC, Environmental Scientist
Jim Hossler, CA State Fire Marshal, Jim.Hosler@fire.ca.gov
Errin Briggs, Deputy Director, Santa Barbara County Planning & Development, ebriggs@countyofsb.org

EXHIBIT B

CALIFORNIA COASTAL COMMISSION

455 MARKET ST, SUITE 300
SAN FRANCISCO, CA 94105-2219
FAX (415) 904-5400
TDD (415) 597-5885

**SENT VIA REGULAR, CERTIFIED, AND ELECTRONIC MAIL**

11/12/2024

Sable Offshore Corp.
12000 Calle Real
Goleta, CA 93117

Subject: **Executive Director Cease and Desist Order No. ED-24-CD-02**

Date Issued: 11/12/2024

Expiration Date: 02/10/2024

Violation File No: V-9-24-0152

Property Location: Various open pit locations located along the existing Las Flores Pipelines CA-324 and CA-325¹ (previously known as Lines 901 and 903), where portions of the pipeline have been exposed, within the Coastal Zone between the Gaviota coast and the Las Padres National Forest, in Santa Barbara County, as well as areas surrounding those open pit locations, and any other areas impacted by the development activities at issue here.

Violations: Unpermitted development in the Coastal Zone 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; dewatering and discharge of water; pipeline removal, replacement, and reinforcement; installation of safety valves; and other development associated with Las Flores Pipelines CA-324 and CA-325²

¹ The Las Flores Pipeline spans multiple properties, including those designated with the following Assessor's Parcel Numbers, all of which have open pits with exposed pipe in them: 081-230-021; 081-150-006; 081-150-007; 081-150-032; 081-150-033; 081-150-002; 081-150-028; 081-140-019; 081-140-025.

² 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.

I. ORDER

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, to cease and desist from undertaking any further unpermitted development and immediately undertake steps necessary to avoid irreparable injury to the properties at issue in this order until formal Commission action can occur. Those steps include, among other things, safely securing and stabilizing open pits (“Open Sites”) along the existing Las Flores Pipelines CA-324 and CA-325 within the Coastal Zone (“Pipelines”) and the immediately surrounding areas so as to prevent potentially significant damage to coastal resources until you have received a final coastal development permit³ for further development or the Commission issues an order to restore the site or otherwise takes action to bring the site into a state that is safe and consistent with the law.

Compliance with the following terms is intended to ensure that all unpermitted development described in Section IV, below, remains halted, ensuring that further damaging effects to coastal resources are avoided, while Sable secures the sites and seeks authorization from the Commission for past and future (proposed) development, and/or for any steps needed restore the site. A future Commission action will likely be needed on a longer-term enforceable document addressing any remaining unpermitted development, any further or longer term remedial steps needed to be taken along the Pipelines, and potentially addressing other enforcement-related matters such as penalties, but this Order provides a more immediate and enforceable mechanism and framework for ensuring the Open Sites are safely secured in the interim.⁴

In addition, and more specifically, I hereby order you to comply with the following terms and conditions to avoid irreparable injury to the Open Sites and surrounding areas, pending any possible action by the Commission under PRC Sections 30810 and 30811 of the Coastal Act⁵:

³ 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; and also (b) no longer subject to judicial review, again whether because the statute of limitations for such a challenge has elapsed or because all such challenges have proceeded to completion.

⁴ Please note that the description herein of the violation at issue is not necessarily a complete list of all development on the subject property that is in violation of the Coastal Act that may be of concern to the Commission. Accordingly, you should not treat the Commission’s silence regarding (or failure to address) other development on the subject property as indicative of Commission acceptance of, or acquiescence in, any such development. Please further note that the term “violation,” as used throughout this letter, refers to alleged violations of the Coastal Act.

⁵ The Coastal Act is codified in PRC sections 30,000 *et seq.*

1. Cease and desist from conducting any further unpermitted development at the Open Sites with the exception of conducting remedial measures, to ensure intermediate securing of the Open Sites, as authorized and required by this Order.
2. Within 3 days of the effective date of this EDCDO, submit an Interim Restoration Plan ("Interim Plan") for the review and approval of the Executive Director of the Commission (the "Executive Director"), that will provide for steps for the interim securing of the Open Sites, including backfilling of the Open Sites, pending the securing of Coastal Act authorization for further development. Implement to completion, and consistent with its terms, the approved version of the Interim Plan, which shall include the following components, and a schedule for setting forth the time frame for commencing and completing each of the following:
 - a. Interim Erosion Control Plan
 - i. Within 3 days of the Effective Date of this EDCDO, Sable shall submit an Interim Erosion Control Plan.
 1. The Interim Erosion Control Plan shall be prepared by a qualified Restoration Specialist to address ground disturbance and prevent erosion during and after activities undertaken to safely secure the Pipelines under this Interim Plan, and shall include: 1) a narrative report describing all temporary run-off and erosion control measures to be used including replacement and/or recompaction of any excavated materials, and restorative grading to be done during and after removal/restoration activities; and 2) a site plan identifying and delineating the locations of all temporary erosion control measures that will be installed pursuant to this plan, including seeding of location-appropriate plant species to assist in erosion control.
 2. The Interim Erosion Control Plan will include a proposal that will provide a detailed work plan as to the steps to be taken to secure Open Sites, including backfilling the Open Sites with native soil from their respective excavations and compacting the soil, as needed, to achieve a level grade.
 3. The Interim Erosion Control Plan shall indicate that all erosion control measures are required to be installed and fully functional in the area impacted by the unpermitted development prior to, or concurrent with, the initial activities required by this EDCDO and maintained at all times throughout the term of the EDCDO, to minimize erosion across the site.

4. The Interim Erosion Control Plan shall demonstrate that Sable will strategically place and maintain security fencing to ensure that the Open Sites are safely secured, thereby preventing any potential access to the sites, and further disturbance to biological and coastal resources as well as to protect against adverse impacts to humans, wildlife and other animals.
5. The Interim Erosion Control Plan shall also include installation of appropriate erosion control BMPs in, and around, areas where vegetation was mowed or removed, and applying a hydroseed mix comprised of appropriate native plant species.
6. The Interim Control Erosion Plan shall include the following deadlines:
 - a. Implement and complete the approved version of the Interim Plan within 7 days of its approval by the Executive Director
 - b. Submit, within 5 days from completion of the work required under the Interim Plan, a report, including photographic evidence, documenting the completion of the work authorized by this EDCDO. If, after reviewing the report required by this EDCDO, the Executive Director determines that the work required by this EDCDO failed in whole or in part, Sable shall undertake any work that is required to ensure compliance with the approved plans or the requirements of this EDCDO.

3. Use of Equipment

- a. The Interim Plan shall include a detailed description of all equipment to be used. It is understood that mechanized equipment will likely need to be used to complete the activities required to implement the Interim Plan. The Interim Plan shall prohibit mechanized equipment that adversely impacts coastal resources, including wetlands and ESHA, protected under the Coastal Act. The Interim Plan shall include limitations on the hours of operations for all equipment.
- b. The Interim Plan shall provide for BMPs to govern the work required in the plan and include a contingency plan that addresses, at a minimum: 1)

impacts from equipment use; 2) potential spills of fuel or other hazardous releases that may result from the use of mechanized equipment and responses thereto; 3) impacts from equipment and worksite lighting, 4) impacts from equipment sound; and 5) all water quality concerns. The Interim Plan shall designate areas for staging of any construction equipment and materials including receptacles and temporary stockpiles of materials. All stockpiles and construction materials shall be covered, enclosed on all sides, located as far away as possible from drain inlets and any waterway, and shall not be stored in contact with the soil.

- c. The Interim Plan shall specify that no demolition or construction materials, debris, or waste shall be placed or stored where they may enter sensitive habitat including wetlands, receiving waters, or a storm drain, or be subject to wind or runoff erosion and dispersion.
4. Within 120 days from effective date of this EDCDO, apply for a CDP for any proposed future work to be undertaken along the Pipelines, as well as for after-the-fact ("ATF") authorization for unpermitted development that has already occurred, by submitting a complete CDP application to Santa Barbara County for any development in its Coastal Act permitting jurisdiction and to the California Coastal Commission for any development in its retained permitting jurisdiction, or by submitting a consolidated permit application to the California Coastal Commission for all such development, if consistent with PRC section 30601.3. The CDP application(s) must include, at minimum, detailed site plans, information on the amount of grading (cut, fill, export) involved, Best Management Practices ("BMPs") to govern the work, wetland and environmentally sensitive habitat area ("ESHA") delineations for any wetlands or ESHA within 100 feet of any of the work, and results of both biological and cultural resource surveys of all areas potentially affected by the unpermitted and proposed development activities.
5. Any submittal to be provided to the Executive Director pursuant to this Order shall be provided by mail to the attention of Stephanie Cook at 455 Market Street, Suite 300, San Francisco CA 94107, with a copy sent via email to Stephanie Cook at Stephanie.Cook@Coastal.ca.gov and Wesley Horn at Wesley.Horn@Coastal.Ca.gov.

II. ENTITIES SUBJECT TO THE ORDER

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.

III. IDENTIFICATION OF THE PROPERTIES

The properties⁶ that are the subject of this Order, including the various Open Sites, areas surrounded by the Open Sites, and any other areas impacted by the development activities at issue here, are located along the Coastal Zone portion of existing Las Flores Pipeline CA-324 and CA-325 (previously known as Lines 901 and 903), which extends from the Gaviota coast to the Las Padres National Forest within Santa Barbara County.

IV. DESCRIPTION OF THE VIOLATIONS

The Coastal Act violations addressed by this Order⁷ 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; dewatering and discharge of water; pipeline removal, replacement, and reinforcement; installation of safety valves; and other development associated with the Las Flores Pipelines CA-324 and CA-325.

V. COMMISSION AUTHORITY TO ACT

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.

VI. EXECUTIVE DIRECTOR'S FINDINGS

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 a result of the current state of the Open Sites, and likely to be exacerbated by the upcoming rainy season. As such, this order requires Sable to take immediate steps to secure the Open Sites and submit a complete CDP application seeking Coastal Act authorization for all proposed future development along the Pipelines, as well as ATF authorization for any work that has already occurred.

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, in a follow-up letter sent October 4, 2024, and in multiple virtual meetings over the course of the following weeks. A more detailed recitation of the history is provided below.

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:

⁶ See footnote 1

⁷ See footnote 2.

"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)

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 proposed future work, nor has Sable submitted any ATF application for work previously undertaken along the Pipelines and within the Coastal Zone. Because of the potential for significant damage to coastal resources, and inherent danger in leaving the Open Sites in their current state, particularly in light of the upcoming rainy season, this Order is necessary to ensure the Open Sites are quickly and safely secured.

As a jurisdictional requirement to issue this Order, I have determined that Sable has undertaken or is threatening to undertake development that may require a CDP, without first securing a CDP.

On October 4, 2024, I notified Sable of my intent to issue an Executive Director CDO pursuant to PRC section 30809 if certain information and assurances were not provided in a satisfactory manner. More specifically, in that letter, I requested detailed information as to the work that Sable has undertaken at the site, as well as proposed measures to temporarily secure the site, specific project plans, and written confirmation of their commitment to apply for an ATF CDP. Sable has failed to satisfactorily provide the information requested and has further failed to provide written confirmation of such intent.

On September 27, 2024, Commission staff sent a "Notice of Violation" letter informing Sable that the Commission had become aware of unpermitted activities taking place within the Coastal Zone, including excavation with heavy machinery, grading, and other activities at various locations along the Pipelines, 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 pipelines. 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). On October 1, 2024, Sable met with Commission staff to further discuss the Coastal Act violations, and steps necessary to secure the Open Sites. In this conversation, Commission staff emphasized the need for additional information before any further work, including interim steps to secure the site, could be taken, and that legal authorization was needed. Nonetheless, on October 2, 2024, Sable emailed Commission staff and said work on Pipelines CA-324 and CA-325 within the Coastal Zone had been suspended, "subject to taking interim measures" they characterized as "necessary to stabilize the sites". In response, Commission staff met with Sable, on October 3, 2024, to, again, discuss the Open Sites and reiterate that whatever they apparently were calling interim measures was also development needing Coastal Act authorization, and that work must stop entirely, pending some legal authorization and offered to work with Sable to reach such agreement on interim authorization. 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 also to provide for a plan for site stabilization, and requested written assurances, by 2:00 pm that day, that Sable had, in fact ceased work entirely. Before this deadline, Sable emailed Commission staff confirming that all work, including what they were calling interim measures, had ceased. Unfortunately, Commission staff were subsequently informed that work along the Pipelines had not ceased. In response, Commission staff sent an additional email at 3pm on October 4, 2024, informing Sable that staff continued to receive reports stating that work was ongoing and asked that Sable confirm that work had fully stopped to which Sable responded to say they had "confirmed with field that all work has stopped."

Our October 4, 2024, letter additionally requested that information relating to the work being conducted along the Pipelines be submitted by 5:00 pm on October 7, 2024, and further requested that Sable provide written confirmation of intent to apply for a CDP(s) seeking ATF authorization for any work that had already occurred in the Coastal Zone and prospective authorization for any proposed future work. On October 7, 2024, Commission staff received an email from Sable providing a spreadsheet detailing the location of current open pit sites, but that stated that a full response to the information request could not be completed and that more time was needed. On October 8, 2024, Sable sent Commission staff a follow-up document which provided additional information as to work that had been undertaken at the Open Sites and steps required to fully complete the work at each site. However, no information was provided as to potential steps that could be taken to secure the sites temporarily but, instead, only information as to steps necessary to fully complete the project were given. In this document, Sable provided that project plans were in process, however Commission staff have yet to receive any full-scale work plans.

In the following weeks, Commission staff have had multiple virtual meetings and phone calls with Sable and their representatives to discuss the additional requested information, the existing state of the Open Sites, and potential paths forward. Much of these conversations have focused on the current state of the Open Sites and potential

interim steps to be taken to mitigate further damage to the coastal zone during the period of time needed for Sable to apply for CDPs, as detailed above. However, Sable has yet to satisfactorily provide, as required by PRC Section 30809, detailed information as requested in our October 4 letter, and remains unwilling to provide written confirmation as to commitment to apply for an ATF CDP for work previously undertaken within the Coastal Zone. During these conversations, Commission staff discussed with Sable a potential path forward, to ensure the sites could be safely, and legally, secured during the period of time needed for Sable to apply for CDPs as detailed above, through issuance of a Consent Cease and Desist Order. Unfortunately, Commission staff and Sable were unable to reach mutually agreeable terms.

VII. COMPLIANCE OBLIGATION

Strict compliance by the parties subject to this Order is required. Failure to comply with any term or condition of this Order, including any deadline contained herein will constitute a violation of this Order and subject the parties to exposure for penalties under section 30821.6. However, pursuant to PRC Section 30803(b), any person or entity to whom this Order is issued may file a petition with the Superior Court and seek a stay of this Order.

VIII. EFFECTIVE DATE

This Order shall be effective upon its issuance and shall expire 90 days from the date issued on 11/12/2024 unless extended consistent with the applicable regulations.

Should you have any questions regarding this matter, please contact Stephanie Cook at Stephanie.Cook@Coastal.ca.gov or Wesley Horn at Wesley.Horn@Coastal.ca.gov.

Signed,



Kate Huckelbridge
Executive Director
California Coastal Commission

Date:

Enclosure:

Cc: Lisa Haage, Chief of Enforcement
Aaron McLendon, Deputy Chief of Enforcement

Sable Offshore Corp.

11/11/2024

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Alex Helperin, Deputy Chief Counsel
Wesley Horn, Environmental Scientist
Stephanie Cook, Enforcement Counsel

EXHIBIT C

CALIFORNIA COASTAL COMMISSION

455 MARKET STREET, SUITE 300
SAN FRANCISCO, CA 94105-2421
VOICE (415) 904-5200
FAX (415) 904-5400

**NOTICE OF VIOLATION****Sent by Electronic Mail**

February 11, 2025

Carolyn Bertrand, Deputy General Counsel

cbertrand@sableoffshore.com

Lee Alcock, Assistant General Counsel

Lalcock@Sableoffshore.com

DJ Moore, Latham & Watkins LLP

DJ.Moore@lw.com

Sable Offshore Corporation

12000 Calle Real

Goleta, CA 93117

Violation File No.: **V-9-25-0013** (Sable Offshore Corporation)

Location: Santa Ynez Unit ("SYU") pipeline located in state waters offshore of the Gaviota Coast in Santa Barbara County

Violation¹ description: Unpermitted offshore development including, but not necessarily limited to, deploying sand/cement bags on the seafloor and positioning them to provide support 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

Dear Ms. Bertrand, Mr. Alcock, and Mr. Moore:

¹ Please note that the description herein of the violation at issue is not necessarily a complete list of all unpermitted development in state coastal waters that is in violation of the Coastal Act. Accordingly, you should not treat the Commission's silence regarding (or failure to address) other unpermitted development in state coastal waters as indicative of Commission acceptance of, or acquiescence in, any such development. Please further note that the term "violation" as used throughout this letter refers to alleged violations of the Coastal Act.

Carolyn Bertrand
Lee Alcock
DJ Moore
Sable Offshore Corp.
Page 2

As you know, California Coastal Commission (“Commission”) Enforcement staff has previously sent a Notice of Violation (“NOV”) letter to Sable Offshore Corp. (“Sable”), and the Commission’s Executive Director has issued to Sable a Cease and Desist Order (“EDCDO”), ED-24-CD-02, concerning unpermitted development including, but not limited to, excavation, removal of major vegetation, grading, widening of roads, replacement and reinforcement of corroded sections of pipeline, and installation of safety valves, at various locations along the existing Lines 324/325 (formerly known as Lines 901/903) associated with a proposed restart of SYU operations. As we stated, the unpermitted performance of these activities constituted violations of the Coastal Act² and Santa Barbara County’s Local Coastal Program (“LCP”). In the EDCDO, Sable, which owns Lines 324/325, was directed to apply for a Coastal Development Permit (“CDP”) for any proposed future work to be undertaken along the pipelines, as well as for after-the-fact (“ATF”) authorization for unpermitted development that has already occurred.

More recently, it has come to our attention that unpermitted activities associated with SYU pipelines have also taken place offshore in state coastal waters, including, but not limited to, the deployment of an unspecified number of “tea-bag pallets,” sand-to-concrete bags, and soft-concrete bags, as well as positioning them to provide support to 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. 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.

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. 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. Mr. Teufel also stated that Sable needed to submit to the Commission a complete CDP application for the proposed span remediation work. Mr. Rusch never disputed or contested anything in this email from Mr. Teufel. Nevertheless, without having received any such application, circa mid-December 2024, the Commission received reports that span remediation work was underway.

² The Coastal Act is codified in the California Public Resources Code, sections 30000 to 30900. Unless otherwise indicated, references to section numbers in this letter are to that code, and thus, to the Coastal Act.

Carolyn Bertrand
Lee Alcock
DJ Moore
Sable Offshore Corp.
Page 3

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 emphasized the Coastal Act permitting requirements previously explained. In a letter dated January 15, 2025, from Duncan Joseph 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 in order to maintain and support the existing offshore pipeline, 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. 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 authorized the SYU pipeline; and the Coastal Commission's concurrence in CC No. CC-64-87, all of which occurred more than 30 years ago.

While Commission staff supports the thorough remediation of any problems that have the potential to adversely affect the structural integrity of active oil and gas pipelines and has a variety of regulatory review mechanisms to help ensure such efforts can be expedited and carried out in a timely manner, it is also critical for the protection of coastal resources that such regulatory review occur in advance. For example, certain methods of pipeline inspection and stability support carry enhanced risks of disturbance and displacement of commercial and recreational fishing activities and gear, marine mammal entanglement, sensitive habitat damage and disturbance, and marine debris generation and release. Given the extended out-of-service status of the Sable pipelines and repeated efforts by Commission permitting staff to engage with Sable regarding advance and expedited permitting options, it is perplexing that Sable disregarded those efforts and instead waited over a month to contend, after-the-fact, that no such regulatory review by the Commission was required.

We discuss below why these activities are not already authorized and instead constitute a violation of the Coastal Act for which ATF Commission authorization is required.

Violations

As indicated by Mr. Moore in the letter described above, in late November and early December of 2024, without first obtaining Commission authorization, Sable placed bags and pallets of concrete fill material in coastal waters below 14 sections of two seafloor pipelines totaling over 750 linear feet, constituting unpermitted fill of coastal waters. As noted above, prior to placing this fill material, Sable had been informed by Coastal Commission staff that such placement would require a permit from the Commission. Additionally, the California State Lands Commission ("SLC") informed Sable several times

in late November 2024 and by letter dated December 5, 2024, regarding the SYU Pipelines Span Remediation Project that it must obtain all necessary permits and approvals from the Coastal Commission and other Federal, State, and local agencies having authority and jurisdiction over the pipelines within the SLC lease premises before commencing the span remediation activities.

Pursuant to Section 30106 of the Coastal Act:

*“Development” means, on land, **in or under water, the placement or erection of any solid material or structure**; discharge or disposal of any dredged material or of any gaseous, liquid, solid, or thermal waste; grading, removing, dredging, mining, or extraction of any materials; change in the density or intensity of use of land, including, but not limited to, subdivision pursuant to the Subdivision Map Act...change in the intensity of use of water, or of access thereto; **construction, reconstruction, demolition, or alteration of the size of any structure**...*
(emphasis added)

The placement of bags of concrete and pallets within 14 pipeline sites across roughly 750 linear feet, as described above, clearly constitutes “development” under the Coastal Act. Coastal Act Section 30600(a) requires Sable to obtain a CDP prior to performing or undertaking any development activity in the Coastal Zone, in addition to obtaining any other permit required by law. No such CDP was obtained, and therefore the unpermitted development activities described above constitute Coastal Act violations.

Contrary to Mr. Moore’s claims, the above-referenced span remediation work was not pre-authorized by the permit the Commission issued for the original installation of the SYU pipeline (CDP No. E-88-1) or otherwise previously authorized by the Commission:

1. Mr. Moore asserts that the Commission’s approval of Exxon Company, U.S.A.’s 1987 DPP, through CC No. CC-64-87 and CDP No. E-88-1, authorizes the span remediation activities. However, nowhere in either of those approvals is there any language that expressly pre-authorizes such future activities under the Coastal Act. Moreover, the fact that the DPP requires the pipelines to be maintained in “good operating condition at all times”³ or that the pipelines meet design standards does not confer any pre-authorization under the Coastal Act for the placement of bags of concrete or any other pipeline span remediation activities constituting development in state coastal waters. The DPP specifies these standards for the *condition* of the pipeline, and not for pre-authorizing pipeline span remediation work and associated activities.
2. Mr. Moore states that because federal, engineering, and industry standards (e.g., American Petroleum Institute) require pipelines to be designed to withstand various

³ DPP, VIII-24.

conditions within marine environments, span remediation activities do not require authorization. However, these standards may specify the required condition of pipelines in service, but that does not obviate Sable's need to obtain Commission authorization to conduct pipeline span remediation work or other development activities to achieve those conditions, in particular because the pipelines are not currently in-service and have not been in-service for nearly a decade.

3. Mr. Moore also states that the 1984 EIR/EIS includes a mitigation measure that required a pipeline monitoring and maintenance plan to address any geologic hazards. However, the inclusion of such a mitigation measure in an EIR/EIS does not obviate the need for Sable to obtain Commission authorization to conduct pipeline span remediation work or other development activities.
4. Additionally, the span remediation activities do not constitute CDP-exempt repair and maintenance, due, at least in part, to their location within coastal waters. First, it's not clear that the work constitutes repair or maintenance at all. However, even if the span remediation project were determined to be a repair and maintenance project, a CDP or other authorization under the Coastal Act was required because the work involved "placement or removal, whether temporary or permanent," of "any forms of solid materials" "within 20 feet of coastal waters" (which includes work in coastal waters) under Section 13252(a)(3)(B) of the Commission's regulations.
5. Mr. Moore asserts that the span remediation activities have been pre-authorized by CDP No. E-88-1/CC-64-87. This is incorrect. That CDP authorized Exxon "to develop oil and gas reserves within the Santa Ynez Unit" and to "construct onshore processing, storage and transportation facilities in Las Flores Canyon" and to "construct a marine terminal in state waters" (the latter of which did not occur), as conditioned by the Commission.⁴ Thus, the CDP authorized the initial construction of the pipelines, but did not pre-authorize future maintenance activities that qualify as development under the Coastal Act. The February 23, 1988 Adopted Findings for the CDP does not reference the type of work recently completed, and nothing in the project description or conditions includes approval of future repair and maintenance work. Therefore, the span remediation work, which was performed 35 years after the 1988 CDP was issued, is a separate project constituting development that requires a Commission authorization under the Coastal Act.

We note that the Commission has, on occasion in the past, specifically authorized future maintenance activities for certain projects it has approved, but when it has done so, it is explicit about that, and it has not done so here. We also note that in the recent past, the Commission has issued permits or permit waivers for other

⁴ CCC Adopted Findings for CDP No. E-88-1 and CC No. E-64-87 (2/23/88), Section I ("Project Description"), p. 1.

span remediation work, and we conclude that such Commission authorization is likewise needed here.

6. Mr. Moore notes that in 2012, the SLC and the federal Bureau of Safety and Environmental Enforcement (“BSEE”) issued approvals to ExxonMobil to conduct maintenance on the active, in-service SYU pipelines, and that this work involved installing the same type of concrete bags using the same methodology employed by Sable in its current activities to reduce free span lengths on the SYU’s oil emulsion and water pipelines, addressing recurring spans caused by high currents. He asserts that CCC staff was “copied and aware” of the proposed maintenance activities and did not require any new CDP or CC⁵.

Sable suggests that because Commission staff was copied on a letter sent by Exxon 13 years ago to a third party, and the Commission did not take action on the letter, this evidences the Commission’s agreement with Sable’s position that no Coastal Act authorization was required for that work. There is no merit to this argument. Based on the facts and the law, Sable was required to obtain Commission authorization under the Coastal Act before conducting the span remediation activities in state waters, and this violation is actionable.

7. Finally, in his letter, Mr. Moore notes that CZMA may not apply to span remediation work in federal waters, so the work is not subject to the Commission’s consistency review authority. This NOV pertains only to violations under the Coastal Act; we do not address any CZMA matters in this letter.⁶

Resolution

To begin resolution of the outstanding violation discussed above, please 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.

Please submit to Wesley Horn at Wesley.Horn@coastal.ca.gov by February 18, 2025, a complete CDP application seeking ATF authorization for the unpermitted span remediation activities that have already taken place in state coastal waters.

Please note that a process exists by which a “consolidated permit” may be processed by the Commission to authorize development that is located in both the Commission’s retained jurisdiction and the permit/LCP jurisdiction of a local government (in this case, Santa Barbara County), should all three parties agree. In this way, one CDP (rather than

⁵ If indeed non-exempt repair and maintenance activities took place in 2012 without proper authorization, that would constitute a Coastal Act violation that our staff will need to investigate.

⁶ The Commission’s investigation of this matter is continuing, and it reserves its right to review this matter further and other matters pertaining to the pipelines.

two separate ones) might be processed that would address all proposed offshore and onshore development relating to the pipeline. Commission staff would support such permit consolidation in this case, and you may discuss this option with Wesley Horn, if that is of interest to your client.

Enforcement Remedies

Whenever possible, Commission enforcement staff prefers to work cooperatively with alleged violators to resolve Coastal Act violations administratively. We are hopeful that we can resolve this matter without resorting to formal action. However, should we be unable to resolve this matter through this process, please be advised that the Coastal Act has a number of potential remedies to address violations of the Coastal Act, including the following:

Section 30809 states that if the Executive Director of the Commission determines that any person has undertaken, or is threatening to undertake, any activity that may require a permit from the Coastal Commission without first securing a permit, the Executive Director may issue an order directing that person to cease and desist. Section 30810 states that the Coastal Commission may also issue a cease and desist order. A cease and desist order may be subject to terms and conditions that are necessary to avoid irreparable injury to the area or to ensure compliance with the Coastal Act. Section 30811 also provides the Coastal Commission the authority to issue a restoration order to address violations at a site. A violation of a cease and desist order or restoration order can result in civil fines of up to \$6,000 for each day in which each violation persists.

Additionally, Sections 30803 and 30805 authorize the Commission to initiate litigation to seek injunctive relief and an award of civil fines in response to any violation of the Coastal Act. Section 30820(a)(1) provides that any person who undertakes development in violation of the Coastal Act may be subject to a penalty amount that shall not exceed \$30,000 and shall not be less than \$500 per violation. Section 30820(b) states that, in addition to any other penalties, any person who “knowingly and intentionally” performs or undertakes any development in violation of the Coastal Act can be subject to a civil penalty of not less than \$1,000 nor more than \$15,000 per violation for each day in which each violation persists.

Finally, as of January 1, 2022, the Commission’s administrative penalty authority was expanded, allowing the Commission to administratively impose penalties for all violations of the Coastal Act. Section 30821 and Section 30821.3 collectively authorize the Commission to impose administrative civil penalties in an amount of up to \$11,250 per day for each violation.

Failure to resolve the violations noted above, or to respond by the deadline, could result in formal action under the Coastal Act. As explained above, said formal action could include a civil lawsuit, the issuance of an Executive Director Cease and Desist Order or

Carolyn Bertrand
Lee Alcock
DJ Moore
Sable Offshore Corp.
Page 8

Commission Cease and Desist and/or Restoration Order, and/or imposition of monetary penalties, as described above, including imposition of administrative penalties. As we have said to you on several occasions, we would prefer not to go this route and believe that the opportunity exists for us to work collaboratively on the permitting for the work already undertaken, and any other work you would like to undertake in the future. Our energy group is more than willing to meet with you to work with you on this, and to provide some pre-filing assistance.

If you have questions about any Enforcement issues, you may contact me by telephone at **415-795-9949** or by email at jo.ginsberg@coastal.ca.gov. Also, you may contact Wesley Horn at Wesley.Horn@coastal.ca.gov to discuss any permitting or planning issues associated with the pipeline.

Thank you for your cooperation and prompt attention to this matter.

Sincerely,



Jo Ginsberg,
Enforcement Analyst

cc: Steve Rusch, Sable, srusch@sableoffshore.com
DJ Moore, dj.moore@lw.com
Lauren Paull, lauren.paull@lw.com
Kate Huckelbridge, CCC, Executive Director
Cassidy Teufel, CCC, Deputy Director
Lisa Haage, CCC, Chief of Enforcement
Sarah Esmaili, CCC, Senior Attorney
Ellie Oliver, CCC, Enforcement Supervisor
Aaron McLendon, CCC, Deputy Chief of Enforcement
Alex Helperin, CCC, Assistant Chief Counsel
Joseph Street, CCC, EORFC Program Manager
Jonathan Bishop, CCC, Oil Spill Program Coordinator
Wesley Horn, CCC, Environmental Scientist
Stephanie Cook, CCC, Enforcement Counsel
Errin Briggs, Deputy Director, Santa Barbara County Planning & Development,
ebriggs@countyofsb.org

EXHIBIT D

CALIFORNIA COASTAL COMMISSION

455 MARKET STREET
SAN FRANCISCO, CA 94105-2219
VOICE (415) 904- 5200
FAX (415) 904-5400
TDD (415) 597-5885
WWW.COASTAL.CA.GOV

**VIA CERTIFIED AND ELECTRONIC MAIL**

February 16, 2025

Steve Rusch
Sable Offshore Corporation
12000 Calle Real
Goleta, CA 93117

DJ Moore
Latham & Watkins, LLP
355 South Grand Avenue, Suite 100
Los Angeles, California 90071

Subject: Notice Prior to Issuance of Executive Director Cease and Desist Order

Location: 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, where the parties subject to this notice are performing or intend to perform any of the activities described below, including the areas surrounding the pipelines, and other onshore areas impacted by the development activities at issue here, all within Santa Barbara County

Violation Description: Activities onshore including, but not limited to, excavation with heavy machinery, related soil movement, trimming, mowing and removal of major vegetation, grading and widening of roads, installation of metal plates over water courses, dewatering and discharge of water, installation of any safety valves, pipeline segment removal, segment replacement, and reinforcement, backfilling of soil with heavy equipment, and other potential development associated with the Las Flores Pipelines CA-324 and CA-325 as part of an effort to restart SYU oil production operations and bring the pipelines back into use.

Dear Mr. Rusch and Mr. Moore,

My staff have reviewed your February 14, 2025 letter, in which, at page 4, you cite Santa Barbara County (the "County") as concluding that "no further authorization under the Coastal Act or LCP is required for Sable to proceed" with the work you generally describe as "anomaly repair work" along Las Flores Pipelines CA-324 and CA-325 ("Pipeline"). Your letter suggests that Sable intends to proceed with this work, and we have received evidence suggesting that Sable may already be doing so, despite several conversations with Commission staff, Notice of Violation letters, and a previous Executive Director Cease and Desist Order ("EDCDO") directing Sable to seek Coastal Act authorization for the work already completed and to cease further work until it, too, is authorized by a new coastal development permit ("CDP"), as described in greater detail below. Although your letter argues that the work has been pre-authorized, based on the information we have received to date, I do not agree. Sable's letter provides a great deal of background information about pipeline safety, as well as the history of the pipeline and Sable's recent interactions with the Commission, but the only citations to any CDP language or other evidence of what any CDP may have authorized appears on pages 9 and 12-13. Those sections can generally be summarized as follows:

At page 9, you assert that County CDPs 86-CDP-189 and 86-CDP-205 authorized the activities "as approved by" the Final Development Plan (FDP) 85-DP-66cz, and that those CDPs incorporated the project description and conditions "described by the [FDP]." Even assuming that this were accurate, that would merely make the CDP authorization derivative of the FDP authorization. Nowhere in your letter do you cite to any language in the FDP indicating that it is pre-authorizing repair and maintenance work for decades into the future.

At pages 12-13, you describe certain condition language from the FDP. You state that condition J-11 acknowledges that the pipeline's right-of-way will be used for operational maintenance. However, a statement recognizing that future maintenance will occur in a particular location is different from identifying the type, nature, and effects of such work, and any mitigation required, much less pre-authorizing it. You additionally cite language stating that future permits cannot be withheld on certain bases, but that statement merely reinforces the fact that future permits were, in fact, contemplated. You also cite condition A-13, which provides a list of major changes that were designated as actions that would require further permits, but nowhere does the language state that that list was intended to be an exhaustive list, nor could it have been, since much future work was and is unpredictable. Nor do you offer any evidence or argument that the work recently undertaken and currently being undertaken or threatened does not constitute a major change. Further, you cite language indicating that the originally permitted activity would have certain permanent impacts to oak woodland habitat and that mitigation was required for such impacts, but that statement cannot be read as all inclusive of any potential, future impact, especially for unidentified future work with the unknown circumstances, scoping, and timing of that future work and its resulting impacts, nor does it even suggest an attempt to have predicted and considered all potential impacts of any future work that may be needed, including those to other types of sensitive habitats and coastal resources.

In other parts of the letter, you discuss more tangential issues, apparently suggesting that they provide more indirect evidence of the intent of the permit. However, we find those discussions similarly unavailing. For example, on page 6, you discuss the County's historical practice for approving the sort of work at issue; however, the fact that the County has allowed this work in the past does not mean that it was correct to have done so or constitute legal authority for it to do so going forward. On page 10, you assert that the Environmental Impact Report/Environmental Impact Study ("EIS/EIR") prepared by the State Lands Commission and two federal agencies assessed the impacts over the lifetime of the pipeline, including predicting work similar to that which is currently at issue. Even assuming that to be true, it is not dispositive of Coastal Act analysis or authority, and it does not indicate that the CDP that was approved by the County pre-authorized all such activities. Evidence of the scope of environmental impacts that are expected to result from work that may be required in the future to repair and maintain a structure can provide important reassurance to a permitting agency in determining whether to approve that structure in the first instance. However, while it is entirely consistent with environmental regulatory practice for a permitting agency to approve initial construction of such a structure based, in part, on such assurances, that does not in any way imply that in doing so, the agency was providing pre-authorization of future work.

Finally, much of your letter argues that the impacts of the work at issue were predicted and accepted from the inception of the project and therefore should not be of concern. Arguably, the history of this site has made it clear that the full impacts of the larger pipeline project were, in fact, not predicted when that project was initially approved, as evidenced by the 2015 pipeline failure and resulting Refugio Oil Spill, which demonstrated that the efforts to predict potential impacts, and to impose correlating mitigation requirements, failed, resulting in devastating impacts to coastal resources. Further, even if the aforementioned statement that the initial review involved predictions about impacts of future work, and acceptance of those impacts, this is a separate question from whether the work was pre-authorized. It is precisely through the permitting process that any such prediction is supposed to be evaluated and that the impacts can be mitigated so as to ensure the work is conducted in a manner consistent with the resource-protection policies of the Coastal Act and the County's Local Coastal Program ("LCP").

In sum, pre-authorization of any and all sorts of repair, maintenance, and upgrades that might be required multiple decades into the future, limited only by the list in condition A-13, would be an unprecedented and extraordinary act that would have had to be stated much more explicitly, and we have not seen any information that indicates that the work at issue has been so pre-authorized.¹ Accordingly, Sable's apparent intent to proceed

¹ We are aware that the County issued a letter on February 12, 2025, agreeing with your conclusion, but that letter provided no support for its position. Moreover, separately, in response to a request from an interested party, we are initiating a formal review of that determination under 14 Cal. Code Regs. §13569. Obviously, if that process results in Commission staff changing its position, we will adjust accordingly.

without further authorization constitutes a threatened violation of the Coastal Act and the LCP.² Therefore, the purpose of this letter is to inform you of my intention to issue a new EDCDO to Sable, as described in greater detail below, unless Sable agrees to proceed as requested.

The unpermitted development here includes activities conducted onshore including, but not limited to, excavation with heavy machinery, related soil movement, trimming, mowing and removal of vegetation, grading and widening of roads, installation of metal plates over water courses, dewatering and discharge of water, pipeline segment removal, segment replacement, and reinforcement, backfilling of soil with heavy equipment, any installation of safety valves, and other potential development associated with the Las Flores Pipelines CA-324 and CA-325.

Executive Director Cease and Desist Order

California Public Resources Code section 30809³ authorizes the Executive Director of the Commission to issue an order directing a person to cease and desist if (a) that person has undertaken, or is threatening to undertake, any activity that (1) may require a permit from the Commission without securing a permit or (2) may be inconsistent with any permit previously issued by the Commission; or (b) to enforce any requirements of a certified LCP. Each of the unpermitted activities at issue here constitutes development that required a CDP pursuant to Sections 30106 and 30600 and the County's LCP. As stated above, based on the information received to date, Commission staff does not agree that this work has been pre-authorized; therefore, the above-described development activities constitute a violation or threatened violation of the Coastal Act and LCP, and form the basis for the issuance of this EDCDO.

Section 30809(b) states that an Executive Director Cease and Desist Order can be issued:

If the person ... has failed to respond in a satisfactory manner to an oral notice given in person or by telephone, followed by a written confirmation, or a written notice given by certified mail or hand delivered to the landowner or the person performing the activity.

Section 13180(a) of the Commission's regulations (Title 14, Division 5.5 of the California Code of Regulations (CCR)) defines the term "satisfactory manner" as that term is used in Section 30809(b) as being, in part, "a response which is made in the manner and within the timeframe specified in the notice" and that satisfies the standards of 14 CCR

² Additionally, as is fully described in Commission staff's September 27, 2024, Notice of Violation ("NOV") letter, November 12, 2024 EDCDO, and February 11, 2025 NOV letter, Sable has undertaken further unpermitted development, both onshore and offshore, along the Pipeline that constitutes additional violations of the Coastal Act and the County's LCP.

³ All further section references are to the Public Resources Code, and thus, to the Coastal Act, unless otherwise indicated.

sections 13180(a)(1) or (2). The requested manner and timeframe are listed below. Therefore, to prevent the issuance to Sable of a unilateral Executive Director Cease and Desist Order, the violation of which could subject Sable to additional fines, you must provide a response that satisfies the standards of section 13180(a)(1) or (2) of the Commission's regulations and is made in the manner and timeframe listed below.

Note that if I do issue the EDCDO, Section 30809(c) authorizes me to include such terms and conditions as I deem necessary to avoid irreparable injury to any area within the Commission's jurisdiction pending further action by the Commission. While it is true that Sable stopped work in response to the prior EDCDO and implemented some measures to prevent resource damage, the recent development activities less than one day after the region's most significant rainfall event of the year and without regulatory review is 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. These are the sorts of impacts that an EDCDO could address.

I am therefore informing you that if Sable does not immediately cease all unpermitted development activities, as described above, and comply with the requirement in the next paragraph, it may receive an Executive Director Cease and Desist Order ("EDCDO"), the violation of which may subject Sable to additional fines and penalties.

In order to avoid issuance of an EDCDO, you must confirm, in writing, by **Monday, February 17, 2025, no later than 4pm**, that Sable will cease all development of the sort described in this notice unless and until it either: (a) demonstrates, to my satisfaction and receives my written confirmation, that it already possesses the necessary Coastal Act authorization for the work, which Sable has not yet demonstrated; or (b) obtains a new, final, operative CDP or other valid Coastal Act authorization specifically covering the work at issue and complies with the terms of any final, validly issued CDPs.⁴ As we have noted in our prior letters, we are more than willing to work with you to make this process as efficient and speedy as possible, and again suggest that the option of applying for and obtaining a consolidated permit would be the most efficient means to quickly resolve the legal issues here and move forward in a collaborative manner. We note that the County remains open to this process, as clarified in their letter of this week, and hope we can use it to most quickly move forward here.

For additional information you may contact Stephanie Cook at (415) 795-9993 Stephanie.Cook@Coastal.ca.gov, or at our Headquarters Enforcement Office at:

California Coastal Commission

⁴ We offer the first option as an accommodation. As we have said numerous times, we remain willing to consider any relevant permitting information Sable provides, either at this stage (if you agree to forestall further development until such showing is made) or even after issuance of a new EDCDO.

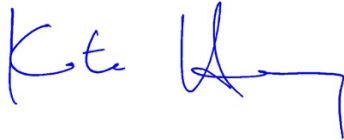
Sable Offshore Corporation

February 16, 2025

Page 6 of 6

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

Sincerely,

A handwritten signature in blue ink, appearing to read "Kate Hucklebridge". The signature is stylized, with the first name "Kate" written in a cursive-like font and the last name "Hucklebridge" written in a more formal, blocky style.

Kate Hucklebridge,
Executive Director
California Coastal Commission

Cc:

Lauren Paull, Latham & Watkins, LLP
Lisa Plowman, Santa Barbara County Planning and Development Department
Errin Briggs, Santa Barbara County Planning and Development Department
Cassidy Teufel, CCC, Deputy Director
Lisa Haage, CCC, Chief of Enforcement
Aaron McLendon, CCC, Deputy Chief of Enforcement
Alex Helperin, CCC, Assistant Chief Counsel
Sarah Esmaili, CCC, Senior Staff Attorney
Stephanie Cook, CCC, Enforcement Counsel
Wesley Horn, CCC, Environmental Scientist
Jo Ginsberg, CCC, Enforcement Analyst

EXHIBIT E



Planning and Development

Lisa Plowman, Director
Jeff Wilson, Assistant Director
Elise Dale, Assistant Director

February 12, 2025

Mr. Steve Rusch
Sable Offshore Corporation/Pacific Pipeline Corporation
12000 Calle Real
Goleta, CA 93117

Sent via email: srusch@sableoffshore.com

SUBJECT: Zoning Clearance Applications - 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, and 24ZCI-00096

Mr. Rusch,

On November 22, 2024 and December 6, 2024, Santa Barbara County Planning and Development received four Zoning Clearance applications for pipeline "anomaly repair work" to Lines 324 and 325a. These applications stated that they sought to permit anomaly repair work in the enclosed descriptions of work for case numbers 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, and 24ZCI-00096. Sable's position is that the Zoning Clearance process meets the requirements of the County's Local Coastal Program because it is a means for the County to determine if the activities fall within an existing Coastal Development Permit or if a new Coastal Development Permit is required.

The County conducted a detailed review of pipeline permitting history and the Coastal Zoning Ordinance. Planning and Development concludes that this pipeline anomaly repair work is authorized by the existing permits (Final Development Plan, Major Conditional Use Permit, and associated Coastal Development Permits) and was analyzed in the prior Environmental Impact Report/Environmental Impact Statement (EIR/EIS). The County previously exercised its authority under its Local Coastal Program and delegated Coastal Act authority in approving the permits and the requested anomaly repair work is within the scope of those approved permits. (Pub. Resources Code § 30519.) The County's 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. Planning and Development will be returning the Zoning Clearance applications to Sable without taking action on them. Alternatively, Sable can choose to withdraw the applications.



This conclusion is related to the requested pipeline anomaly repair work in case numbers 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, and 24ZCI-00096 and the information supplied with those applications and does not speak to permitting or jurisdiction on any other past or future work on or changes to the Pipeline and associated equipment.

This is not a: 1) permit exemption; 2) Director determination on the meaning or applicability of the provisions of the Coastal Zoning Ordinance; 3) decision on an application for a Coastal Development Permit; or 4) any other ground set forth in Article II Section 35-182. Rather, this letter confirms that the requested anomaly repair work was contemplated, analyzed, and approved in the existing Final Development Plan, Major Conditional Use Permit, associated Coastal Development Permits and certified EIR/EIS. Thus, no further application to or action by the County is required. This conclusion is not appealable to the Planning Commission, Board of Supervisors, or Coastal Commission and it does not require a Notice of Final Action. (Article II §§ 35-182; 35-181.4.)

Planning and Development encourages and requests that Sable continue to provide information to the County about any future anomaly repair work consistent with what was supplied in the above-referenced application. Such information will allow the County to evaluate whether particular anomaly repair work results in any different conclusions than those set forth in this letter. That information can be directed to my attention.

Sincerely,



Errin Briggs

Deputy Director, Energy, Minerals, Compliance & Cannabis Division

Enclosures: 24ZCI-00090 Description of Work
24ZCI-00091 Description of Work
24ZCI-00095 Description of Work
24ZCI-00096 Description of Work

CC: Mickey Johnson, ExxonMobil Upstream Company, via email
mickey.d.johnson@exxonmobil.com

24ZC1-00090 + 91

Zoning Clearance Applications for CA-324 Pipeline Routine Anomaly Repair Work – Description of Work

Scope of Work

In order to repair an anomaly, Sable must undertake the following steps: (1) excavate the site where an anomaly was detected, including the dirt beneath the affected pipeline segment, (2) expose the pipeline segment by removing insulation and sandblasting, (3) evaluate whether a “Composite Repair”¹ or “Cut-Out Repair”² is required, (4) conduct the Composite or Cut-Out Repair as appropriate, sandblast the repaired pipeline segment, and apply an epoxy coating, pipe tape, and rockguard wrap, (5) backfill the anomaly site, and (6) conduct final site cleanup, including revegetation activities (collectively, the “Anomaly Repair Work”).

Sable previously commenced the Anomaly Repair Work in compliance with Sable’s obligation under federal regulations to take “prompt action” to address pipeline anomalies. (See 49 C.F.R., § 195.452, subd. (h)(1).) On September 27, 2024, the California Coastal Commission issued Sable Notice of Violation V-9-24-0152 (“NOV”) and required Sable to immediately stop all Anomaly Repair Work. In accordance with the NOV, Sable stopped undertaking the Anomaly Repair Work. On November 12, 2024, Commission staff issued Executive Director Cease and Desist Order No. ED-24-CD-02 (“EDCDO”), which required Sable to submit an Interim Restoration Plan to secure and backfill the open anomaly sites without completing the Anomaly Repair Work. Commission staff approved Sable’s proposed Interim Restoration Plan on November 20, 2024 with respect to the remedial grading and BMP segment of the Interim Restoration Plan. As of November 21, 2024, Sable and Commission staff were continuing to coordinate regarding the hydroseeding segment of the plan. Consistent with the Interim Restoration Plan, each anomaly site will be backfilled and restored to original grade without completing the Anomaly Repair Work.

As such, Sable’s Zoning Clearance applications seek *both*:

1. After-the-fact Zoning Clearances for the Anomaly Repair Work previously undertaken at each anomaly site identified in the applications; and
2. Zoning Clearances to complete the Anomaly Repair Work at each such anomaly site in the future (including by excavating the anomaly site again after it is backfilled and restored in compliance with the EDCDO and Interim Restoration Plan).

¹ A “Composite Repair” involves wrapping the exposed pipeline segment in a composite material and allowing the material to cure.

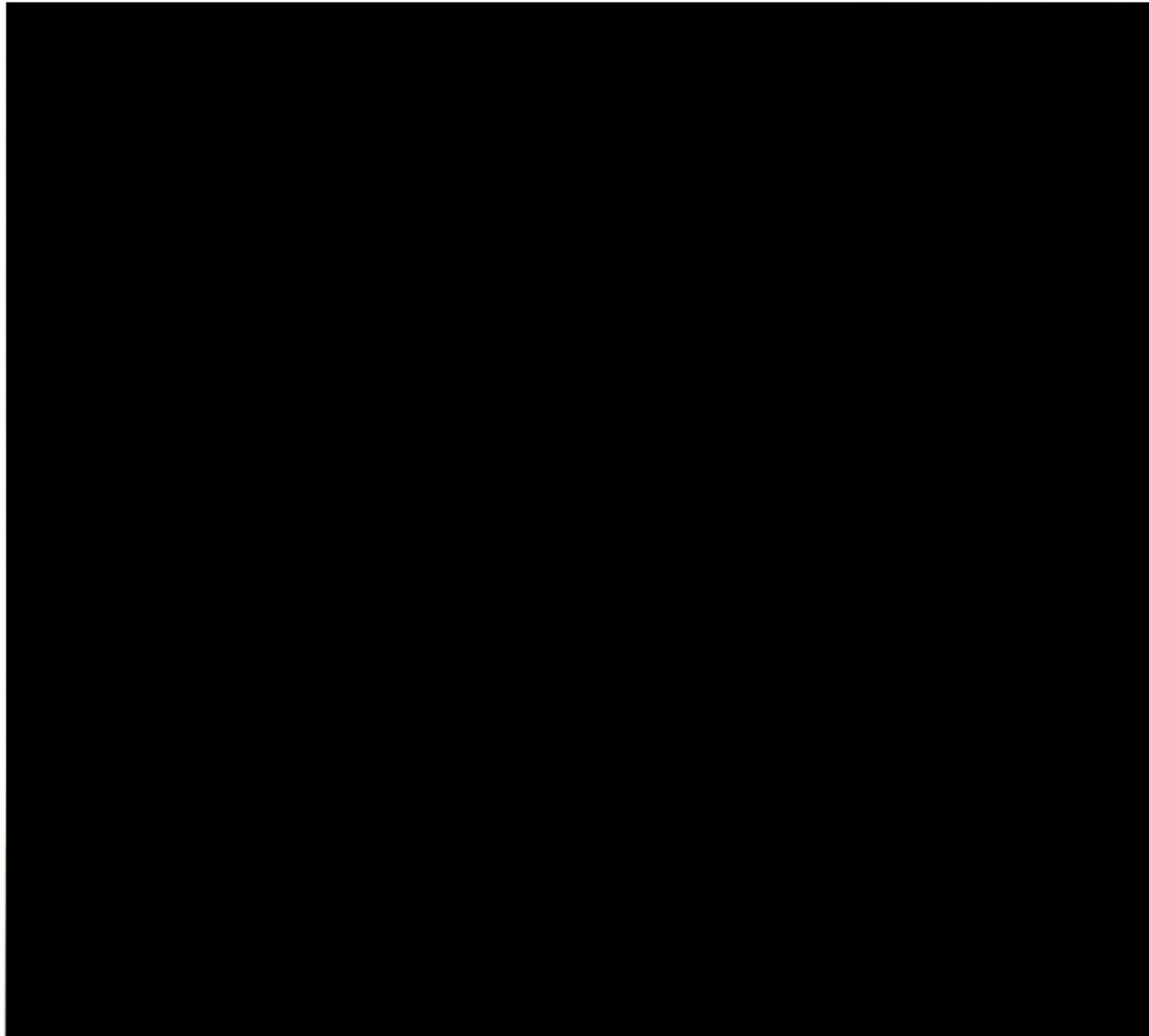
² A “Cut-Out Repair” involves cutting out and replacing the affected pipeline segment, welding the replaced pipeline segment in place, and X-raying the replaced pipeline segment to confirm successful replacement.

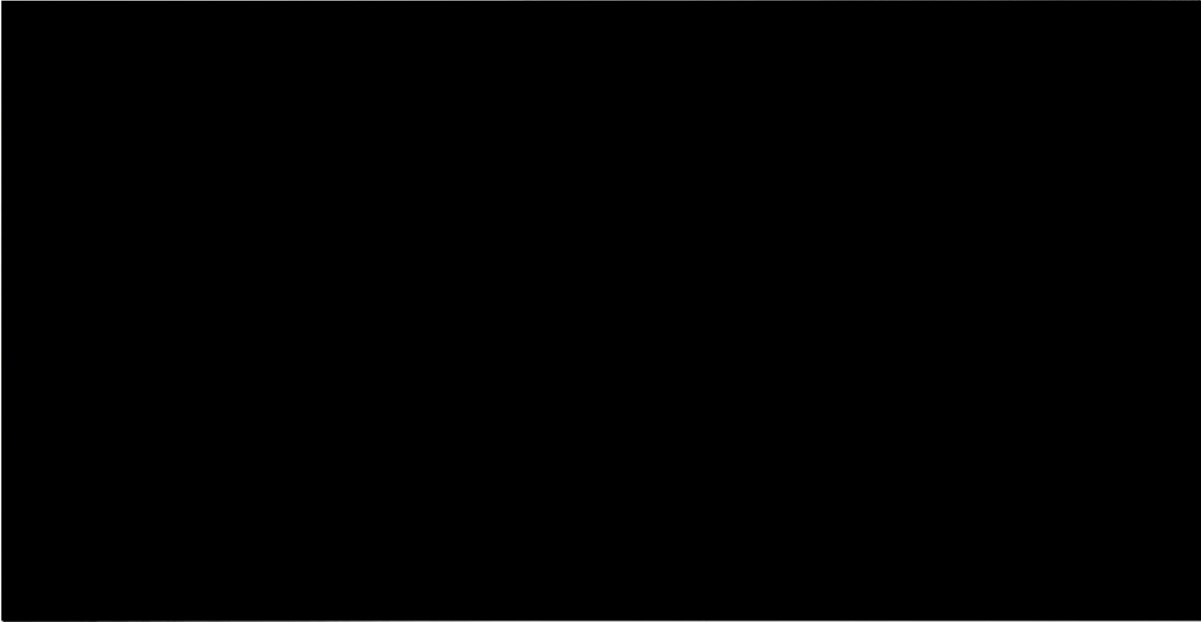
Location

45 anomaly sites require Anomaly Repair Work. As discussed above, these sites are located along existing pipeline CA-324 in APNs 081-140-019, 081-140-025, 081-150-002, 081-150-006, 081-150-007, 081-150-028, 081-150-032, 081-150-033, and 081-230-021. Table 1 details each anomaly site. Attachments C.1 and C.2 include overview and concentrated mapping depicting these sites.

Table 1. Anomaly Sites

Legend	
	Application #1
	Application #2





The proposed work would utilize the existing roads to access each site. No new roads will be constructed.

Construction & Equipment

Excavation depth would vary for each anomaly site based on unique factors, including the number of immediately proximate anomalies and site-specific requirements. All material will be balanced onsite, and no material will be imported or exported. Shoring boards will be utilized to stabilize the excavation walls prior to entry. Equipment needed to complete the Anomaly Repair Work includes the following:

- Excavator(s)
- Light and heavy-duty work trucks
- Air compressor(s)
- Welding machine(s)
- Bulldozer(s)
- Front loader(s) with back drag
- Backhoe
- Reachlift
- Water buffalo
- Water trucks

Fire Protection

If welding is required, Sable will provide a mowed work area within a minimum of 50 feet around the welding activities and maintain a fire watch at the location with 500 gallons of

water onsite, in addition to the fire extinguisher requirements of the Office of the State Fire Marshal (OSFM) and the Santa Barbara County Fire Department (SBCFD).

Construction Best Management Practices

In addition to the Construction Best Management Practices (BMPs) identified in Attachments D.1 and D.2, the following BMPs will be implemented to ensure potential effects on various environmental resources are avoided:

- Define limits of disturbance including the length/width of dig excavation trench, trench soil stockpile, equipment, staging, access, vehicle parking.
- Before construction activities commence, conduct pre-construction a biological resources survey to confirm the expected limits of work and minimal impact, or ensure that a biologist is onsite the first day of construction to monitor excavation to salvage and release any wildlife encountered.
- Before construction activities commence, conduct an environmental awareness training for all onsite personnel to discuss BMPs and other potential biological resources issues. While not expected in any of the dig sites, awareness of potential occurrence of special-status species should be discussed.
- All oak tree impacts are to be avoided including no vehicles, equipment, or stockpile within the drip line of any oaks.
- Stockpiles should be in uplands and avoid any stockpile, materials storage, vehicles, equipment, etc. in any drainage features or riparian habitat.
- Topsoil (the first 6" to 12" inches) removed for the excavation should be stockpiled separately for use in restoring original contours and grade, and to promote rapid plant growth restoration.
- The open trench should be safely fenced (hog wire, orange construction fence, or similar) at the end of each workday to exclude wildlife entrapment.

Conclusion

Sable is committed to designing, constructing, operating and maintaining Line CA-324 and CA-325 in a safe and reliable manner, and to meeting or exceeding applicable federal, state, and local regulatory standards.

24 201-00095 2, 96

Zoning Clearance Applications for CA-324 and CA-325A Pipeline Routine Anomaly Repair Work – Description of Work

Scope of Work

In order to repair an anomaly, Sable must undertake the following steps: (1) excavate the site where an anomaly was detected, including the dirt beneath the affected pipeline segment, (2) expose the pipeline segment by removing insulation and sandblasting, (3) evaluate whether a “Composite Repair”¹ or “Cut-Out Repair”² is required, (4) conduct the Composite or Cut-Out Repair as appropriate, sandblast the repaired pipeline segment, and apply an epoxy coating, pipe tape, and rockguard wrap, (5) backfill the anomaly site, and (6) conduct final site cleanup, including revegetation activities (collectively, the “Anomaly Repair Work”).

Location

28 anomaly sites require Anomaly Repair Work. As discussed above, these sites are located along existing pipeline CA-324 and CA-325A in APNs 081-130-068, 081-140-023, 081-150-002, 081-150-028, 081-150-032, 081-270-011, 083-590-003, 083-650-008, 083-650-009, and 083-650-011. Table 1 details each anomaly site. Attachments C.1 and C.2 include overview and concentrated mapping depicting these sites.

Table 1. Anomaly Sites

Legend	
	Application #1
	Application #2

¹ A “Composite Repair” involves wrapping the exposed pipeline segment in a composite material and allowing the material to cure.

² A “Cut-Out Repair” involves cutting out and replacing the affected pipeline segment, welding the replaced pipeline segment in place, and X-raying the replaced pipeline segment to confirm successful replacement.



The proposed work would utilize the existing roads to access each site. No new roads will be constructed.

Construction & Equipment

Excavation depth would vary for each anomaly site based on unique factors, including the number of immediately proximate anomalies and site-specific requirements. All material will be balanced onsite, and no material will be imported or exported. Shoring boards will be utilized to stabilize the excavation walls prior to entry. Equipment needed to complete the Anomaly Repair Work includes the following:

- Excavator(s)
- Light and heavy-duty work trucks
- Air compressor(s)
- Welding machine(s)
- Bulldozer(s)

³ F-9 is associated with two anomaly numbers from separate investigatory tool runs but is associated with one anomaly.

- Front loader(s) with back drag
- Backhoe
- Reachlift
- Water buffalo
- Water trucks

Fire Protection

If welding is required, Sable will provide a mowed work area within a minimum of 50 feet around the welding activities and maintain a fire watch at the location with 500 gallons of water onsite, in addition to the fire extinguisher requirements of the Office of the State Fire Marshal (OSFM) and the Santa Barbara County Fire Department (SBCFD).

Construction Best Management Practices

In addition to the Construction Best Management Practices (BMPs) identified in Attachments D.1 and D.2, the following BMPs will be implemented to ensure potential effects on various environmental resources are avoided:

- Define limits of disturbance including the length/width of dig excavation trench, trench soil stockpile, equipment, staging, access, vehicle parking.
- Before construction activities commence, conduct pre-construction a biological resources survey to confirm the expected limits of work and minimal impact, or ensure that a biologist is onsite the first day of construction to monitor excavation to salvage and release any wildlife encountered.
- Before construction activities commence, conduct an environmental awareness training for all onsite personnel to discuss BMPs and other potential biological resources issues. While not expected in any of the dig sites, awareness of potential occurrence of special-status species should be discussed.
- All oak tree impacts are to be avoided including no vehicles, equipment, or stockpile within the drip line of any oaks.
- Stockpiles should be in uplands and avoid any stockpile, materials storage, vehicles, equipment, etc. in any drainage features or riparian habitat.
- Topsoil (the first 6" to 12" inches) removed for the excavation should be stockpiled separately for use in restoring original contours and grade, and to promote rapid plant growth restoration.
- The open trench should be safely fenced (hog wire, orange construction fence, or similar) at the end of each workday to exclude wildlife entrapment.

Conclusion

Sable is committed to designing, constructing, operating and maintaining Line CA-324 and CA-325A in a safe and reliable manner, and to meeting or exceeding applicable federal, state, and local regulatory standards.

EXHIBIT F

FIRM / AFFILIATE OFFICES

Austin	Milan
Beijing	Munich
Boston	New York
Brussels	Orange County
Century City	Paris
Chicago	Riyadh
Dubai	San Diego
Düsseldorf	San Francisco
Frankfurt	Seoul
Hamburg	Silicon Valley
Hong Kong	Singapore
Houston	Tel Aviv
London	Tokyo
Los Angeles	Washington, D.C.
Madrid	

February 17, 2025

VIA EMAIL

Kate Hucklebridge
Executive Director
California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Sable Offshore Corp. Response to Notice Prior to Issuance of Executive Director Cease and Desist Order

Dear Dr. Hucklebridge:

On behalf of our client, Sable Offshore Corp. (“Sable”), we are providing Sable’s responses to your February 16, 2025, Notice Prior to Issuance of Executive Director Cease and Desist Order (“Notice”) regarding Sable’s anomaly repair activities along portions of Las Flores Pipelines CA-324 and CA-325 (previously known as Lines 901 and 903) located within an unincorporated area of the County of Santa Barbara (“County”) and within the coastal zone. Sable strongly disagrees with many of the Notice’s assertions and characterizations of the Coastal Act, the County’s delegated authority under the Coastal Act and its certified Local Coastal Program (“LCP”), Sable’s anomaly repair work, and the permits and approvals previously issued by the County. We will not address those assertions and characterizations in detail here, and Sable reserves all rights to challenge each such point in the future. Instead, Sable is notifying you that an Executive Director Cease and Desist Order (“EDCDO”) may not be issued under the Coastal Act and any such issuance would be procedurally improper.

As you know, on February 12, 2025, the County confirmed in writing that Sable’s anomaly repair work is authorized by the pipelines’ existing coastal development permits (the “CDPs”) and, consistent with the County’s past practice, no new or separate Coastal Act authorization is required for Sable to perform the work.¹ Despite this written confirmation from

¹ See Errin Briggs, County of Santa Barbara, “Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, and 24ZCI-00096” (Feb. 12, 2025) (“County Letter”). As explained in Sable’s February 14, 2025,

the County, the Notice asserts that the anomaly repair work will constitute a “violation” of the Coastal Act and the County’s LCP and states an intention to issue an EDCDO with respect to such work pursuant to Section 30809 of the Coastal Act. Section 30809 authorizes the issuance of an EDCDO only in three narrow circumstances. None of those circumstances apply here. Accordingly, Sable’s position is that an EDCDO may not be issued.

First, an EDCDO may be issued when the Executive Director determines that an activity has been (or is threatened to be) undertaken that “may require a permit **from the commission** without securing a permit.”² Second, an EDCDO may be issued when the Executive Director determines an activity that has been (or is threatened to be) undertaken “may be inconsistent with any permit **previously issued by the commission.**”³ Neither of these scenarios exist here. As confirmed in the County’s February 12, 2025, letter to Sable and Sable’s February 14, 2025, letter to Commission staff, Sable’s anomaly repair work was authorized by the pipelines’ existing CDPs, which were issued by the County – **not the Commission.**⁴ All of Sable’s anomaly repair work, as confirmed through Sable’s submissions to the County, is within the County’s permitting jurisdiction under the LCP. The Notice does not allege, and the anomaly repair 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.”⁵ Therefore an EDCDO may not be issued.

Section 30809(a) also allows an EDCDO to be issued in a third scenario: “to enforce any requirements of a certified local coastal program ..., or any requirements of [the Coastal Act].”⁶ The Coastal Act specifically limits EDCDOs issued under this third scenario to “the following circumstances”:

- (1) “The local government ... 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 ... declines to act, or does not take action in a timely manner, regarding an alleged violation which could cause significant damage to coastal resources;” or

letter to Coastal Commission staff, the County Letter addresses anomaly repair work for which Sable had previously submitted Zoning Clearance applications to the County, including work (i) that was ongoing at the time that Commission staff issued a Notice of Violation (File No. V-9-24-1052) to Sable and (ii) that Sable has identified for completion. Sable is compiling information regarding previously completed anomaly repair work in the coastal zone for submittal to and review by the County. Sable’s understanding is that such completed repairs are entirely consistent with the scope of repairs that the County authorized in the County Letter and that no new or amended coastal development permit will be required for those repairs either.

² Coastal Act (Pub. Res. Code), § 30809(a) (emphasis added).

³ *Ibid.*

⁴ See County Letter; Sable, “Sable Offshore Corp. Notice of Violation (V-9-24-0152) for Las Flores Pipelines CA-324 and CA-325, Santa Barbara County” (Feb. 14, 2025), Exhibit E (County Coastal Development Permit 86-CDP-189 (Jul. 27, 1986)) and Exhibit F (County Coastal Development Permit 86 CDP-205 (Aug. 5, 1986)).

⁵ Coastal Act, § 30809(a).

⁶ *Ibid.*

(3) “The local government ... is a party to the violation.”⁷

Allowing the Executive Director to issue an EDCDO for a purported violation of a certified local coastal program or the Coastal Act only in these three situations ensures that the Commission does not circumvent the local government’s delegated authority under the Coastal Act to implement its local coastal program.⁸

The Notice does not allege that any of the three potential prerequisites for the issuance of an EDCDO for a purported violation of the Coastal Act or the County’s LCP actually apply here. To the contrary:

- (1) The County has not requested the Commission to assist with, or assume primary responsibility for, issuing an EDCDO. Instead, the County has confirmed in writing that the anomaly repair work “is authorized by the [pipelines’] existing ... Coastal Development Permits[.]”⁹
- (2) The County has not declined to act upon a request from the Commission regarding Sable’s anomaly repair work. While the Commission has requested additional information from the County, including copies of Sable’s zoning clearance applications for the anomaly repair work and “permit files and records” relied upon by the County in assessing whether such work falls within the scope of the existing CDPs, the Commission has not requested that the County take action on an alleged violation.¹⁰
- (3) The County is not alleged to be a party to the activities asserted by the Notice to constitute a violation.

Therefore, none of the prerequisites to issuing an EDCDO exist and it would be procedurally improper to issue an EDCDO.

In sum, Sable’s anomaly repair 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, as recently confirmed by the County. Further, the Coastal Act does not authorize the issuance of an EDCDO under the present circumstances. Therefore, and to avoid any ambiguity, Sable intends to proceed with the anomaly repair work authorized by the County in its February 12, 2025, letter.

Based on the foregoing, Sable reiterates its request for an opportunity to discuss the final resolution of the previously issued Notice of Violation (File No. V-9-24-0152) and

⁷ *Id.*, § 30809(a)(1)-(3).

⁸ See *id.*, § 30519(a).

⁹ County Letter.

¹⁰ Cassidy Teufel, Letter re: “Dispute Resolution under [14 CCR § 13569] regarding activities of Sable Offshore Corp. Identified in California Coastal Commission’s November 12, 2024 Executive Director Cease and Desist Order” (Feb. 16, 2025), p. 2.

LATHAM & WATKINS LLP

acknowledgement of the County's determination that no further coastal development permit is required for the anomaly repair work.

Very truly yours,



Duncan Joseph Moore
of LATHAM & WATKINS LLP

cc: Lisa Plowman, County of Santa Barbara
Errin Briggs, County of Santa Barbara
Jenna Richardson, County of Santa Barbara
Anthony Duenner, Sable Offshore Corp.
Carolyn Bertrand, Sable Offshore Corp.
Lee Alcock, Sable Offshore Corp.
Steve Rusch, Sable Offshore Corp.
Lauren Paull, Latham & Watkins LLP

EXHIBIT G

FIRM / AFFILIATE OFFICES

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Beijing	Munich
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Century City	Paris
Chicago	Riyadh
Dubai	San Diego
Düsseldorf	San Francisco
Frankfurt	Seoul
Hamburg	Silicon Valley
Hong Kong	Singapore
Houston	Tel Aviv
London	Tokyo
Los Angeles	Washington, D.C.
Madrid	

February 14, 2025

VIA EMAIL

Stephanie Cook
Headquarters Enforcement Counsel
California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105

Re: Sable Offshore Corp. Notice of Violation (V-9-24-0152) for Las Flores Pipelines CA-324 and CA-325, Santa Barbara County

Dear Stephanie:

I am writing on behalf of our client, Sable Offshore Corp. (“Sable”), to respond to your (i) September 27, 2024, Notice of Violation letter (“NOV”) and (ii) your October 4, 2024, letter (“October 4 Letter”) regarding Sable’s repair and maintenance activities along portions of Las Flores Pipelines CA-324 and CA-325 (previously known as Lines 901 and 903) located within an unincorporated area of the County of Santa Barbara (“County”) and within the coastal zone. I am also responding to additional points raised in the letter you sent to the County and Sable earlier today, February 14, 2025. In sum, the NOV that is the basis for all of the Commission’s communications identified above alleges that Sable engaged in unpermitted development related to Sable’s work “to address pipeline corrosion” and “to install new safety valves.”¹ This letter addresses the NOV allegations regarding Sable’s work to address pipeline corrosion, which are referred to herein as anomaly repairs. A more detailed response is provided in **Attachment A**. The NOV allegations regarding certain safety valves previously installed in Line CA-324 will be addressed separately.²

As I discussed with Lisa Haage, the Commission’s Chief of Enforcement, on February 6, 2025, and reiterated to Commission staff during a meeting on February 11, 2025, it was premature for Sable to provide a detailed response to the NOV and October 4 Letter until the County had the opportunity to consider Zoning Clearance applications that Sable submitted to the County on November 22, 2024, and December 6, 2024. Specifically, and as Commission staff has been aware since December 2024, Sable had submitted those applications so that the County could confirm whether Sable’s anomaly repair work already was authorized under

¹ Coastal Commission, Notice of Violation, Violation File No. V-9-24-0152 (Sep. 27, 2024), p. 2.

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

existing permits and approvals for Lines CA-324 and CA-325, including the County's coastal development permits. As part of that review, the County could have determined whether additional information was required or whether it would require a new or amended coastal development permit. As requested by Commission staff during our recent discussion just a few days ago, Sable has compiled a complete response to the NOV, including the Zoning Clearance application materials Sable submitted to the County, and is providing those materials with this transmittal.³

Prior to receiving the NOV in September 2024, Sable had undertaken several steps to repair certain 'anomalies' detected along Line CA-324 and planned to repair other anomalies along Lines CA-324 and CA-325.⁴ 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 pipelines since they were first permitted and built over 30 years ago. A pipeline 'anomaly' refers to a pipeline segment with some deviation from its original configuration, typically identified using a roving data gathering instrument located within the pipeline interior (referred to as an inspection 'pig') that examines a pipeline's conditions while traveling through the pipeline. Sable is required to conduct anomaly inspections and all associated repair work to comply with a Consent Decree involving the 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.⁵ Anomaly repair work is a standard repair process for oil pipelines and was contemplated, authorized, and analyzed by (i) the pipelines' original environmental review under the California Environmental Quality Act and National Environmental Policy Act conducted by the State Lands Commission and federal Bureau of Land Management and Department of the Interior; and (ii) the County under the pipelines' previously approved Final Development Plan ("FDP") (Case # 85-DP-66cz), Major Conditional Use Permit ("CUP") (Case # 83-CP-97cz), Coastal Development Permits ("CDPs") (86-CDP-189 and 86-CDP-205), and associated Conditions of Approval. ***Because anomaly repair work was previously analyzed and authorized by the County under its land use and delegated Coastal Act authority, it does not require any further authorizations under the Coastal Act or the County's certified Local Coastal Program ("LCP").*** The County has consistently found anomaly repairs to be within the scope of the pipelines' environmental review and previously issued FDP and CDPs. In fact, since the pipelines were first built, ***the County never has amended the CDPs or determined it was necessary to issue a subsequent coastal***

³ Sable is aware that Commission staff and County staff have discussed Sable's Zoning Clearance applications, but Commission staff had not previously requested copies of those applications from Sable until February 11, 2025.

⁴ 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).

⁵ 49 C.F.R. § 195.452(h)(1). See 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).

development permit when the County has authorized the pipeline operator to conduct anomaly repairs.

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 permitting was required for such work, Sable stopped work at active anomaly repair sites in compliance with the NOV and October 4 Letter in order to explore Coastal Commission staff's allegations further with both Commission staff and the County. Sable worked 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 pipeline, corrosion, flooding, hazards for livestock, and terrorism and vandalism). In light of these concerns related to the open sites, Sable complied with the November 12, 2024 Executive Director Cease and Desist Order No. ED-24-CD-02 ("EDCDO"), 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, installed protective fencing, and continues to monitor each site to ensure effective erosion control measures. While Sable worked cooperatively with Commission staff to address staff's near-term environmental concerns identified in the EDCDO, 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 the type of Coastal Act authorization required.

To that end, since receiving the NOV, Sable also 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. As discussed above, 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 Coastal Zoning Ordinance (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.⁶ 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 was already authorized, whether additional information was needed, or whether the County would require a new or amended coastal development permit.⁷

The County has since 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 is already authorized by the pipelines' existing CDPs and, consistent with past practice, no new or separate Coastal Act authorization is required for Sable to perform the work.⁸

⁶ CZO, §§ 35-174.9.2.c.2, 35-179A.2.b.

⁷ See CZO, § 35-179A.2.b.

⁸ See Errin Briggs, County of Santa Barbara, "Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, and 24ZCI-00096" (Feb. 12, 2025) ("County Letter").

The County's letter concludes that the anomaly repair work was "contemplated, analyzed, and approved in the [pipelines'] existing [FDP], [CUP], and associated [CDPs,]" "analyzed in the prior Environmental Impact Report/Environmental Impact Statement," and therefore requires "no further application to or action by the County."⁹

The County's letter addresses the particular anomaly work that was ongoing at the time Sable received the NOV from Commission staff as well as proposed future anomaly repair work in the coastal zone. The County letter is limited to those anomaly repairs because the information submitted on November 22, 2024, and December 6, 2024, only addressed those ongoing and future anomaly repairs. While Sable has not yet submitted information regarding previously completed anomaly work in the coastal zone to the County, Sable is in the process of compiling such information for submittal. Sable's understanding of those previously completed repairs is that they are entirely consistent with the scope of repairs that the County authorized in its February 12, 2025 letter, and that the County's position regarding those previously completed repairs is expected to be the same – specifically that no new or amended coastal development permit is required for those prior repairs either. **Attachment A** includes a detailed justification to support the County's confirmation that anomaly repair work was authorized by and complies with the pipelines' Conditions of Approval, FDP, CDPs, and environmental review. As such, the anomaly repair work does not constitute a violation of the Coastal Act or LCP, as asserted in the NOV and October 4 Letter.

Further, the County has confirmed, pursuant to its authority under the Coastal Act and the County's certified LCP, that the anomaly repair work is authorized under the pipelines' existing CDPs and that no further authorization under the Coastal Act or LCP is required for Sable to proceed with the work. Therefore, and contrary to the statements included in your February 14 letter, Sable has the authorization from the County to proceed with completion of the anomaly repair work, and performing that work is not a knowing and willful violation of the Coastal Act.

In addition, because the County has confirmed that no new coastal development permit is required for the anomaly repair work, the consolidated coastal development permit application requested in your February 14 letter is not appropriate.¹⁰ The County has now confirmed that Sable's anomaly repair work is authorized under the pipelines' existing CDPs and that no other County permit or authorization is necessary. 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."¹¹ Therefore, Sable is not consenting to a consolidated permit.

⁹ *Ibid.*

¹⁰ We are disappointed with your letter's mischaracterization of our February 11, 2025, discussion regarding the possibility of a consolidated permit. As we have made clear on multiple occasions, the County needed to act on Sable's Zoning Clearance applications before Sable could engage Commission staff on any of staff's requests.

¹¹ Pub. Res. Code, § 30601.3, subd. (a)(1).

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Based on the foregoing, Sable respectfully requests an opportunity to discuss with Commission staff the final resolution of the NOV and acknowledgement of the County's determination that no further coastal development permit is required for anomaly repair work.

Very truly yours,

A handwritten signature in blue ink, appearing to read "Duncan Joseph Moore", with a stylized flourish at the end.

Duncan Joseph Moore
of LATHAM & WATKINS LLP

cc: Lisa Plowman, County of Santa Barbara
Errin Briggs, County of Santa Barbara
Jenna Richardson, County of Santa Barbara
Anthony Duenner, Sable Offshore Corp.
Carolyn Bertrand, Sable Offshore Corp.
Lee Alcock, Sable Offshore Corp.
Steve Rusch, Sable Offshore Corp.
Lauren Paull, Latham & Watkins LLP

Attachment A Sable NOV Response Regarding Anomaly Repair Work

I. EXECUTIVE SUMMARY

Sable's work to repair and remedy Las Flores Pipeline 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 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. Accordingly, when considering and approving past anomaly repair work on the pipelines, the County has consistently found that work to be within the scope of the previously approved FDP and CDPs. 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.¹²

Instead, over the last 30 years, the County has employed different procedures to confirm that anomaly repair work complies with the pipelines' existing FDP and 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 anomaly repairs have been authorized.¹³ Regardless of the exact process used, the County's review of anomaly repairs has consistently looked at whether the work proposed has been within the scope of the approved FDP and CDPs and those reviews have **never** been subject to the Commission's appellate jurisdiction. 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.¹⁴ The County's February 12, 2025, assessment is consistent with the County's historical reviews of pipeline anomalies confirming that anomaly repairs are authorized under the previously issued CDPs and FDP and are "not appealable to the ... Coastal Commission." As such, Sable may proceed with completing this repair work and the Commission may not continue enforcement proceedings involving that work.

¹² See County CDPs 90-CDP-175 (pipeline realignment), 97-CDP-255 (pump station tank replacement), 00-CDP-069 (pipeline realignment).

¹³ See County Land Use Permit Nos. 14LUP-00000-00168 (May 28, 2014), 14LUP-00000-00035 (Apr. 2, 2014), 95-LUS-418 (Oct. 30, 1995); see 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.

¹⁴ See CZO, § 35-182.6.1-3. The County's 2014 LCP Amendment did not change these provisions of the CZO.

II. ANOMALY REPAIR AND PIPELINE BACKGROUND

A pipeline “anomaly” refers to a pipeline segment with some deviation from its original configuration. Federal regulations require Sable and other pipeline operators to take “prompt action” to address and, where required by the regulations or the Consent Decree, repair any pipeline anomalies once discovered.¹⁵ Sable detects anomalies by using a roving data gathering instrument located within the pipeline interior, typically referred to as an inspection “pig,” that examines a pipeline’s conditions as the pig travels through the pipeline. 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,¹⁶ (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”).¹⁷ Anomaly Repair Work is short-term and temporary (often lasting less than a week) within the 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 is 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 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 NOV and October 4 Letter.¹⁸ In compliance with the EDCDO, Sable subsequently backfilled those open sites (without completing the associated anomaly repairs), implemented erosion control best management practices, and hydroseeded the sites with a local native seed mix approved by Commission staff. Finally, twenty-eight (28) remaining anomaly sites have been identified for future Anomaly Repair Work.¹⁹

All of the aforementioned anomaly sites are located along two connected pipelines, which the County initially approved on February 18, 1986, as part of what was then known as the “Celeron Pipeline Project” (also referred to herein as the “Pipeline Project”). Las Flores

¹⁵ 49 C.F.R. § 195.452(h)(1).

¹⁶ 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.

¹⁷ A typical cross-section showing a site undergoing Anomaly Repair Work is attached as Exhibit A.

¹⁸ These open anomaly repair sites are depicted in Exhibit B.

¹⁹ These planned anomaly repair sites are depicted in Exhibit C.

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.

During the Pipeline Project’s environmental review under the California Environmental Quality Act (CEQA) and National Environmental Policy Act (NEPA), the locations of Lines CA-324 and CA-325 were identified as an environmentally superior alignment to minimize impacts to environmental resources (including topography, viewshed, watersheds, etc.).²⁰ Pipeline construction disturbed a corridor approximately 100-feet in width, resulting in the removal of mature vegetation 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 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 pipelines’ maintenance corridor without “any substantial adverse effects on or significant impacts to biological, botanical, wetland, or riparian habitat resources.”²¹ 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.²² The Assessment’s conclusion also took into account potential impacts to environmentally sensitive habitat areas (ESHA) located in proximity to the portions of Lines CA-324 and CA-325 located within the coastal zone.²³

²⁰ See County Planning Commission Actions for Celeron Pipeline Project (Mar. 3, 1986), attached at Exhibit D, p. 54 (“Overall, the route chosen is environmentally preferable to any complete alternative route.”).

²¹ SCS Engineers, “Line 901 & Line 903 Replacement Project: 2nd Revised Biological Resources Assessment” (October 5, 2020), p. 95. 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.

²² *Ibid.*

²³ See *id.*, p. 56.

III. THE ORIGINAL APPROVALS FOR THE LAS FLORES PIPELINE CONTEMPLATED, ANALYZED AND AUTHORIZED THE ANOMALY REPAIR WORK

A. Santa Barbara County Final Development Plan and Coastal Development Permit Background

The State Lands Commission and federal Bureau of Land Management and Department of the Interior prepared a joint Environmental Impact Report and Environmental Impact Statement (EIR/EIS) for the Celeron Pipeline Project, which included the pipelines now known as Lines CA-324 and CA-325, pursuant to CEQA and NEPA. The State Lands Commission certified the EIR/EIS in January 1985. After reviewing the EIR/EIS, the Santa Barbara County Planning Commission made a final decision to approve the Celeron Pipeline Project FDP on February 18, 1986.²⁴ The approval was not challenged during the appeal period and the Planning Commission's approval action became final and effective. The Planning Commission's action included the FDP (Case # 85-DP-66cz) and a Major CUP (Case # 83-CP-97cz).²⁵ The FDP was required because the Pipeline Project necessitated comprehensive review and the CUP was required because the pipelines crossed ESHA.

Consistent with the FDP approval, the County issued Coastal Development Permit CDP 86-CDP-189 for the Celeron Pipeline Project on July 27, 1986.²⁶ 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."²⁷ 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." The CDPs were not challenged during the appeal period and became final and effective.²⁸

Accordingly, the conditions of approval for the pipelines' FDP, CUP, and 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.²⁹ Although

²⁴ As indicated in Exhibit D, the Final Development Plan approved by the County contain the Pipeline Project's Conditions of Approval.

²⁵ See County Planning Commission Action on Celeron/All American Pipeline Project FDP, attached at Exhibit D.

²⁶ See County Coastal Development Permit 86-CDP-189 (July 27, 1986), attached at Exhibit E.

²⁷ County Coastal Development Permit 86-CDP-205 (August 5, 1986), attached at Exhibit F.

²⁸ See Cal. Code Regs., tit. 14 ("Coastal Act Regulations"), § 13313 (CDPs "issued by the local government shall become final unless a valid appeal is filed with the commission").

²⁹ See Conditions of Approval (Oct. 2024), attached at Exhibit G.

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 not required new or amended coastal development permits for pipeline anomaly repairs.³⁰

B. Prior Approvals and Environmental Review for the Pipelines Approved and Analyzed Repair and Maintenance Activities Such as the Anomaly Repair Work

1. Pipeline Project EIR/EIS

Repair and maintenance activities such as the Anomaly Repair Work, and any related environmental impacts, also were included and evaluated as part of the Pipeline Project's environmental review.³¹

The EIR/EIS explains that its impact analysis extends through the pipelines' entire lifetime, including both pipeline "operation" and "maintenance."³² The EIR/EIS specifically acknowledges that routine maintenance activities like the Anomaly Repair Work would occur during the pipelines' ongoing operation. For example, the EIR/EIS incorporates into the Pipeline Project's project description certain Oil Spill Contingency and Emergency Response Plans that address ongoing pipeline maintenance activities. The 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.³³ 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.³⁴

These plans (which were directly attached to the Draft EIR/EIS and were available for public review and comment) acknowledged the pipelines' ongoing inspection requirements, including by using inspection "pigs" to "measure the severity of corrosion and to inspect pipeline defects."³⁵ 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."³⁶ The EIR/EIS imposes no limitation on the number of sites where anomaly repairs

³⁰ See County CDPs 90-CDP-175 (pipeline realignment), 97-CDP-255 (pump station tank replacement), 00-CDP-069 (pipeline realignment).

³¹ See Proposed Celeron / All American and Getty Pipeline Projects Environmental Impact Report/Environmental Impact Statement (EIR/EIS), SCH No. 83110902 (1984, 1985). The Draft EIR/EIS for the pipeline project is available on the County's website [here](#), and the Final EIR/EIS for the pipeline project is available [here](#).

³² Final EIR/EIS, Abstract, p. 2.

³³ Draft EIR/EIS, pp. S-5 through S-14.

³⁴ County Planning Commission Action on Celeron/All American Pipeline Project FDP, attached at Exhibit D, pp. 55-56.

³⁵ Draft EIR/EIS, Appendix H, p. 37.

³⁶ *Ibid.*; Final EIR/EIS, RTC 37-4. The 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 Draft 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.").

may be undertaken at any one time or over the pipelines' lifetime. As such, the pipeline anomaly repairs contemplated under the 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 project under CEQA.³⁷

The scope of anomaly repairs analyzed in the 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 pipelines in the first instance. The 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."³⁸ Once an anomaly repair site is accessed, the EIR/EIS anticipated that the anomaly repair work 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.³⁹ Significantly, in performing its analysis of future anomaly repairs along the pipelines' route, the EIR/EIS acknowledges that impacts to environmentally sensitive habitat areas, 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.⁴⁰ The Anomaly Repair Work occurs within the boundaries of the right-of-way analyzed in the EIR/EIS, which was disturbed by pipeline construction and has remained impacted by ongoing pipeline inspection and operational activities.⁴¹

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.

2. Conditions of Approval

The pipelines' Conditions of Approval, which were incorporated by reference into the pipelines' FDP, CUP, and CDPs, encompassed the same operational and maintenance

³⁷ 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 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).

³⁸ Draft EIR/EIS, pp. 2-4, 2-26, 2-30.

³⁹ See Draft 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").

⁴⁰ See, e.g., Draft EIR/EIS, p. 4-57 ("About 220 acres of oak woodlands would be removed for the life of the project.").

⁴¹ See Line 901 & Line 903 Replacement Project: 2nd Revised Biological Resources Assessment, 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%)").

components of the Pipeline Project as described in the EIR/EIS.⁴² Accordingly, the Conditions of Approval specifically contemplated and approved ongoing repair and maintenance activities such as the Anomaly Repair Work. For example, Condition J-11 acknowledges that the pipelines' right-of-way will be used for "operational maintenance" after construction is completed.⁴³

Similarly, Condition P-2 contemplates that the pipeline operator will conduct "regular maintenance and safety inspections," "corrosion monitoring and leak detection," and "periodic safety audits."⁴⁴ 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."⁴⁵ 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. As described above, the County's Statement of Overriding Considerations concluded that the pipeline operator's compliance with Condition P-2 and other Conditions of Approval would "mitigate[] as completely as possible" all "potential oil spill impacts" and other potentially significant impacts resulting from the Pipeline Project.⁴⁶ 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.⁴⁷

Like the EIR/EIS, the Conditions of Approval 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

⁴² See Conditions of Approval, attached at Exhibit G, 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.")

⁴³ *Id.*, at p. 31.

⁴⁴ *Id.*, at p. 38.

⁴⁵ *Ibid.* (emphasis added).

⁴⁶ County Planning Commission Action on Celeron/All American Pipeline Project FDP, attached at Exhibit D, pp. 55-56.

⁴⁷ 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").

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.⁴⁸

The Anomaly Repair Work does not trigger any of these requirements. The work does not 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.”

Moreover, the Conditions of Approval contemplate that biological impacts within the pipelines’ operational right-of-way would be permanent, allowing for ongoing repair and maintenance activities like the Anomaly Repair Work. For example, Condition H-1(j) originally required the pipeline operator to develop a “plan for **off-site reestablishment** of oaks to mitigate impacts to oak savannahs and woodlands along the route.”⁴⁹ 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.⁵⁰ 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]**.”⁵¹ 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 pipeline’s right-of-way would continued to be disturbed by pipeline operation and maintenance.⁵² These Conditions confirm that any biological impacts along the pipelines’ operational right-of-way resulting from the Anomaly Repair Work are within the scope of impacts previously approved by the County.

In sum, the Anomaly Repair Work falls within the scope of approved repair and maintenance activities contemplated by the pipelines’ Conditions of Approval, and as analyzed under the Pipeline Project’s EIR/EIS, to be undertaken without any subsequent or modified permit or subsequent environmental review.

⁴⁸ Conditions of Approval, attached at Exhibit G, p. 4.

⁴⁹ County Planning Commission Action on Celeron/All American Pipeline Project FDP, attached at Exhibit D, pp. 23-24 (emphasis added)

⁵⁰ Conditions of Approval, attached at Exhibit G, p. 21.

⁵¹ *Id.*, p. 22 (emphasis added).

⁵² See, e.g., *id.*, at p. 20.

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

The County's February 12, 2025, letter confirmed that Anomaly Repair Work does not require any further authorization under the Coastal Act or County's LCP.⁵³

The County issued its letter pursuant to its lawful, delegated authority under the Coastal Act and its certified LCP. The Coastal Commission first certified the County's LCP in March 1981, at which point the County became the vested coastal development permitting authority in the County's jurisdiction under the Coastal Act.⁵⁴ Pursuant to that authority, in 1986 the County issued the CDPs pursuant to its certified LCP. The CDPs were not appealed by any party, including the Coastal Commission. The CDPs are therefore final, valid, and not subject to further appeal.⁵⁵

As described above, the Anomaly Repair Work was analyzed as an ongoing maintenance activity under the Pipeline Project's EIR/EIS, and the Conditions of Approval confirm that such work was authorized by the FDP, CUP, and 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 NOV was received as well as proposed future anomaly repair work in the coastal zone. Because the County's confirmation was based on substantial evidence, it is entitled to deference.⁵⁶ The County's confirmation is also entitled to deference because it approved the FDP, CUP, CDPs, and Conditions of Approval in the first instance.⁵⁷

Although Sable's Zoning Clearance applications allowed the County to confirm that Anomaly Repair Work falls within the scope of the Pipeline Project's existing CDPs, the County also concluded that such work does not actually require Zoning Clearances. As the County explained, its "assessment is consistent with the type of reviews conducted by the County, both

⁵³ As noted above, the County's letter is limited to the anomaly repairs that were addressed in the Zoning Clearance applications submitted by Sable to the County on November 22, 2024 and December 6, 2024. Those Zoning Clearance applications only addressed ongoing and future anomaly repairs. While the County has not yet reviewed information related to the prior anomaly repairs, there are no differences in the type of work involved between the ongoing, future, and past anomaly repairs. Accordingly, it is anticipated that the County will confirm that past anomaly repair work also falls within the scope of previously issued permits. Sable is working to compile information to the County to obtain written confirmation that the authorization provided in the County letter also applies "after-the-fact" to the past anomaly repairs.

⁵⁴ See Pub. Res. Code, § 30519.

⁵⁵ See Cal. Code Regs., tit. 14, § 13313 (CDPs "issued by the local government shall become final unless a valid appeal is filed with the commission").

⁵⁶ 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).

⁵⁷ 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).

inside and outside the Coastal Zone, on a regular basis to determine whether proposed development activities fall within the scope of existing permits.”⁵⁸ Therefore, based on its review, “no further application to or action by the County is required.”⁵⁹ 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.”⁶⁰

The County’s confirmation 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.⁶¹ 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.⁶² The County’s confirmation that the Anomaly Repair Work was authorized by the Pipeline Project’s previously issued permits does not fall within any of these categories and is not identified under the CZO as an appealable action. The County’s letter further confirms that it is “not appealable to the Planning Commission [or] Board of Supervisors.”⁶³ Rather, the County’s confirmation 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 letter does not constitute an appealable action under the Coastal Act. The County’s confirmation that the work was authorized by the existing CDPs is “not appealable to the ... Coastal Commission” because the County is not taking any final action or appealable action on an application for a coastal development permit.⁶⁴ Further, the County’s letter is not an appealable determination as to whether anomaly repair work is exempt from coastal development permit requirements under the CZO or the Coastal Act.⁶⁵ The County’s letter is not a determination of exemption but is instead a confirmation that the work already has been lawfully authorized through the existing CDPs issued by the County.⁶⁶ As such, the

⁵⁸ County Letter.

⁵⁹ *Ibid.*

⁶⁰ *Ibid.*

⁶¹ See CZO, § 35-57C.

⁶² See *ibid.*, §§ 35-182.3.A, 35-182.4.A.2.

⁶³ See County Letter. 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.

⁶⁴ 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).

⁶⁵ See County Letter.

⁶⁶ See Pub. Res. Code, § 30625.

Coastal Act provides no basis for an appeal to the Coastal Commission of the County's letter confirming that the Anomaly Repair Work falls within the scope of the Pipeline Project's existing approvals. The County's confirmation that the Anomaly Repair Work requires no further Coastal Act authorization is therefore final.

In sum, the Anomaly Repair Work does not constitute a violation of the Coastal Act or LCP because all work is consistent with a previously issued Coastal Development Permit. Accordingly, Sable may continue with the work without being subject to an NOV or other enforcement action.

IV. PREEMPTION BY FEDERAL AND STATE LAW

Provisions of the County's CZO and County Code are preempted and inapplicable where they "conflict" with federal or state law.⁶⁷ A "conflict" between local and general laws occurs where the local law "duplicates, contradicts or enters an area fully occupied by general law."⁶⁸ 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 therefore 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.⁶⁹ 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.⁷⁰ SDG&E challenged the City's jurisdiction over its dredging activities under the coastal development and floodplain ordinances.⁷¹ 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."⁷²

Similarly, here, federal law preempts any CZO or County Code regulation as to pipeline safety. Applicable federal regulations⁷³ specifically require Sable to "take prompt action to address all anomalous conditions in [any] pipeline,"⁷⁴ and also generally regulate pipeline

⁶⁷ 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).

⁶⁸ *Viacom Outdoor, Inc. v. City of Arcata* (2006) 140 Cal.App.4th 230, 236.

⁶⁹ See *San Diego Gas & Electric Co. v. City of Carlsbad* (1998) 64 Cal.App.4th 785, 789.

⁷⁰ See *id.*, at p. 790.

⁷¹ See *id.*, at p. 791.

⁷² *Id.*, at p. 802.

⁷³ See 49 C.F.R. Part 195, adopted by OSFM at 19 C.C.R. § 2000.

⁷⁴ 49 C.F.R. § 195.452(h)(1).

design, corrosion control, operation and maintenance activities, and pipeline safety.⁷⁵ As California’s enforcement authority for such regulations⁷⁶, the Office of the State Fire Marshal (OSFM) issued two State Waivers on December 17, 2024, that require Sable to conduct anomaly repairs on the pipelines within 180 days, if not immediately.⁷⁷ 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.⁷⁸

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.”⁷⁹ 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 195.⁸⁰

The County’s February 12, 2025, letter does not address preemption related issues. Further discussion of preemption is not necessary at this time because the County has confirmed that the Anomaly Repair Work is authorized under the Pipeline Project’s previously issued CDPs, FDP, CUP, and under the Coastal Act and Certified LCP.⁸¹

V. CONCLUSION

The County fully analyzed environmental impacts resulting from, and ultimately approved, repair and maintenance activities on the pipelines such as the Anomaly Repair Work when it initially approved the pipelines’ CDPs and associated construction activities in the 1980s. The County has since confirmed that Sable’s anomaly repairs fall within the scope of those prior approvals and do not require a new or modified coastal development permit.

⁷⁵ 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).

⁷⁶ 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).

⁷⁷ See OSFM, Letter of Decision on State Waiver Requests (CA-324 and CA-325A/B) (Dec. 17, 2024), attached at Exhibit H. 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), attached at Exhibit I.

⁷⁸ See, e.g., *Bernstein v. Virgin Am., Inc.*, 3 F.4th 1127, 1140 (9th Cir. 2021).

⁷⁹ Conditions of Approval, attached at Exhibit G, p. 35, Condition P-2.

⁸⁰ See Celeron Settlement Agreement (Feb. 8, 1988), p. 2. The Celeron Settlement Agreement is available [here](#).

⁸¹ Sable does not waive any right to assert that any future approvals or permitting requirements may be preempted by federal and state law.

LATHAM & WATKINS LLP

Therefore, the Anomaly Repair Work does not violate the Coastal Act, LCP, or County Code, and the County has confirmed that Sable is authorized to complete the work.

EXHIBIT H

FIRM / AFFILIATE OFFICES

Austin	Milan
Beijing	Munich
Boston	New York
Brussels	Orange County
Century City	Paris
Chicago	Riyadh
Dubai	San Diego
Düsseldorf	San Francisco
Frankfurt	Seoul
Hamburg	Silicon Valley
Hong Kong	Singapore
Houston	Tel Aviv
London	Tokyo
Los Angeles	Washington, D.C.
Madrid	

January 15, 2025

Cassidy Teufel
Deputy Director
California Coastal Commission
455 Market Street, Suite 228
San Francisco, CA 94105

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

Dear Cassidy:

I understand you have been in communication with Steve Rusch of Sable Offshore Corp. (Sable) regarding Sable's span remediation work on the SYU pipelines located offshore of the Gaviota Coast in Santa Barbara County. As you may be aware, Mr. Rusch is currently on vacation. I have been asked to respond on behalf of Sable to the Coastal Commission's (CCC) recent correspondence with Mr. Rusch regarding the span remediation work. In sum, it is Sable's position that the span remediation maintenance activities, specifically the placement of sandbags to maintain and support the existing offshore pipelines consistent with American Petroleum Institute safety and design standards, do not require a new Coastal Development Permit (CDP) or consistency certification under the Coastal Act and the Coastal Zone Management Act (CZMA). These activities fall within the scope of development authorized under the existing Development and Production Plan (DPP) previously approved by the Department of the Interior's Minerals Management Service (MMS) and the CCC-approved CDP for the SYU pipelines, and do not require additional CCC approval.

I. BACKGROUND

In July and October 2024, Sable conducted remotely operated vehicle (ROV) surveys as part of Sable's State Lands Commission (SLC) lease obligations.¹ Specifically, the ROV

¹ See Appendix A, State Lands Commission Amendment of Leases Nos. PRC 7163 and PRC 4977, Section 21.b.i ("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

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 in state waters was conducted between July 11th-16th and the survey in federal waters was conducted between October 10th-16th. The state waters survey utilized the Falcon ROV system aboard the M/V Danny C vessel. The federal waters survey utilized the Deep Scout ROV aboard the M/V Loren C vessel. 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 through California State Waters.² Sable contracted Spire Engineering Services (CA PE C82993/C58646) to perform the assessment for each of the lines and provide a set of maximum allowable span criteria to be used to assess pipeline spans.

Based on the survey results, it was determined that certain pipeline spans along the ocean floor exceed allowable span lengths documented in the seismic vulnerability assessment. Specifically, the maximum allowable pipeline span lengths from the vulnerability assessment for the 20” Oil Emulsion Pipeline and 12” Treated Water Pipeline in state waters and federal waters are summarized below in separate tables:

Maximum Allowable Pipeline Span Lengths: State Waters

Pipeline Designation	Wall Thickness (in)	Concrete Coat Thickness (in)	Water Depth Range (ft)	Allowable Span		Minimum Curve Radius (ft)
				Straight (ft)	Curved (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

encompass both internal and external evaluations, utilizing established industry practices such as Remotely Operated Vehicle (ROV)... assessments.”).

² *Id.*, Section 21.b.iv (“Lessee shall complete a Pipeline Seismic Vulnerability Assessment ... using a third-party California Licensed Professional Engineer.”).

Maximum Allowable Pipeline Span Lengths: Federal Waters

Pipeline Designation	Wall Thickness (in)	Concrete Coat Thickness (in)	Water Depth Range (ft)	Allowable Span	
				Straight (ft)	Curved (ft)
12" Treated Water Line	0.5	0	~320-700	47.5	47
	0.625	0	700-1200	47.5	47.5
20" Oil Emulsion Line	0.5	1.5	~320-340	55	50
	0.562	1.25	340-1200	35.0-55.0*	55
12" POPCO Gas Line	0.625	0	~320-805	49.8	

* The maximum allowable unsupported span length for the pipeline shall vary linearly from 35.0 feet for a vertical bending radius of 2,100 ft to 55.0 ft for a vertical bending radius of 5,000 ft.

The allowable pipeline span lengths from the vulnerability assessment were compared to the identified spans from the ROV surveys. The tables below document the spans that required remediation with one table for the state waters and one table for the federal waters. These spans include those beyond the allowable length as well as those close to the allowable length which, over time, could have developed 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'

Span Remediation: Federal Waters

SPAN ID	PIPELINE	SPAN LENGTH	APPROXIMATE WATER DEPTH
		(Feet)	(Feet)
15	12" WATER	75'	550'
16	12" WATER	47'	577'
17	12" WATER	46'	600'
18	12" WATER	61'	641'
19	12" WATER	76'	647'
20	12" WATER	56'	657'
21	20' EMULSION	63'	619'
22	20' EMULSION	60'	617'
23	20' EMULSION	53'	580'
24	20' EMULSION	66'	590'
25	20' EMULSION	50'	567'
26	20" EMULSION	53'	550'
27	20" EMULSION	48'	537'
28	12" GAS POPCO	72'	567'
29	12" GAS POPCO	46'	560'
30	12" GAS POPCO	82'	382'

A seismic vulnerability study also was performed for the 12" Gas Pipeline in California State waters, and the maximum allowable spans from that study were compared to identified spans from the ROV survey. No spans on the 12" Gas Pipeline exceed the maximum allowable span length, and therefore no remediation within state waters was required.

To address the spans identified through the ROV survey and listed above, Sable submitted letters to SLC regarding the span remediation work in state waters and to the Bureau of Safety and Environmental Enforcement (BSEE) regarding the span remediation work in federal waters. In response to these letters, SLC and BSEE issued approvals for the span remediation work on November 27, 2024³ and December 5, 2024, respectively. Consistent with those approvals, Sable has informed me that it undertook maintenance activities in state waters over a three-day period from November 29, 2024 to December 1, 2024, consistent with the American Petroleum Institute (API) Recommended Practice 1111, as outlined in the existing DPP.⁴ Sable has confirmed these activities included conducting a pre-installation survey, deploying sand-to-concrete bags, and positioning them to provide necessary support to the pipeline. More specifically, utilizing the vessel Curtin Loren-C and an Aqueos ROV, the project deployed 3/1 (sand/cement) bags to create support piers along the identified spans. The remediation vessel was dynamically positioned and no anchors were deployed during the remediation process. The process began with a pre-installation survey conducted by the ROV to

³ SLC provided an email approval to move forward with the work in state waters on November 27, 2024, followed by an official approval letter dated December 4, 2024.

⁴ Sable has informed me that maintenance activities were undertaken in federal waters from December 5, 2024 to December 7, 2024.

verify and confirm the exact span locations. The vessel crew then deployed “tea-bag” pallets of soft concrete bags, guided by the ROV to precise locations adjacent to the pipeline. The ROV strategically placed the bags to provide maximum support, ensuring the stability and integrity of the pipeline. This operation was repeated across all predetermined support locations, with additional pallets available for any extra spans identified during the ROV inspection (though no extra spans were identified).

As described in greater detail below, this type of maintenance activity has been conducted previously on the SYU pipelines without the need for additional permitting under either the DPP or the CDP.

II. SABLE’S APPROVED DPP

Exxon Company, U.S.A.’s (Exxon) DPP for the SYU was submitted to MMS in December 1982.⁵ In January of 1983, Exxon submitted a request for consistency certification for expansion of production in the SYU. The CCC’s 1990 Compendium of California Coastal Commission Decisions Under the Federal Consistency Provisions provides a succinct summary of the CCC’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 [CCC] 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).⁶

⁵ See Appendix B, September 20, 1985 DPP Approval.

⁶ See CCC, Compendium of California Coastal Commission Decisions Under the Federal Consistency Provisions (March 30, 1990), pp. 265-266, available at: <https://documents.coastal.ca.gov/assets/fedcd/Compendium-of-CCC-FC-Decisions-OCS-1983-to-present.pdf>.

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 pipeline system.⁷

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 CCC received the DPP revision from MMS on December 22, 1987.⁸

On February 23, 1988, with Consistency Certification No. CC-64-87, the CCC 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 CCC also approved Coastal Development Permit No. E-88-1 for the nearshore portions of Option B, including the pipelines.⁹

On April 4, 1988 MMS approved the revisions to the DPP.¹⁰ While the DPP has been revised since 1988, as it relates to the offshore pipelines, the 1988 DPP is the controlling approval for the pipelines' installation, as well as for their ongoing maintenance and operation.¹¹ The 1988 DPP is the version of the DPP in existence when the CCC provided its consistency certification (CC-64-87) and approval of its CDP (E-88-1) for the pipelines.

A. 1988 DPP

As relevant here, the 1988 DPP includes a detailed discussion of the SYU 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.¹²

The 1988 DPP addresses the design, construction, and ongoing operation and maintenance of the SYU pipelines. This included relevant geologic and geotechnical design considerations and applicable design codes. Regarding maintenance, the DPP expressly *requires*

⁷ See Appendix B, September 20, 1985 DPP Approval.

⁸ See Appendix C, April 4, 1988 DPP Approval.

⁹ See Appendix D, March 17, 1988 Letter to Exxon from Coastal Commission, attaching Consistency Certification Concurrence and CDP.

¹⁰ See Appendix C, April 4, 1988 DPP Approval.

¹¹ The 1988 DPP is attached as Appendix E.

¹² 1988 DPP, at VIII-2.

Sable to ensure the pipelines are maintained: “All emulsion and gas pipelines will be maintained in good operating condition at all times.”¹³ The DPP’s Environmental Impact Statement/Environmental Impact Report (EIS/EIR) also recognizes that “Exxon’s [DPP] has been carefully evaluated to assess the effects due to construction *and operation* of the facilities.”¹⁴

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

1. *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 and operated 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.”¹⁵ 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.¹⁶

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 pipeline routes.¹⁷ 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.¹⁸ These criteria were then tailored to the specific locations and directions of the pipelines, ensuring consistency with the platform designs.¹⁹ This comprehensive approach shows that 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

¹³ *Id.* at VIII-24

¹⁴ Final Environmental Impact Statement/Report for Santa Ynez Unit/Las Flores Canyon DPP (June 1984), p. 6-47.

¹⁵ 1988 DPP, at VIII-11.

¹⁶ *Id.* at VIII-11-13.

¹⁷ *Id.* at VIII-6-9.

¹⁸ *Id.* at VIII-12.

¹⁹ *Id.* at VIII-12.

used in the platform designs. Stability will be accomplished via routing, increased submerged weight, trenching, anchoring, or combinations of these methods.”²⁰

2. *The EIS/EIR Contemplates Span Remediation*

The 1984 EIS/EIR for the DPP states that the 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.”²¹ The 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.**”²² Further, the 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.**”²³

While no specific earthquake triggered a pause in operations, the inspections that Sable has conducted prior to restart identified areas of the pipeline that required remedial actions that are consistent with the remedial actions and associated impacts previously considered in the 1984 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 1984 EIR/EIS that was considered by the CCC in connection with its consistency certification and CDP for the SYU pipelines.

B. *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.”²⁴ In other words, Sable must operate and inspect the SYU oil and gas pipelines in compliance with

²⁰ *Id.* at VIII-14.

²¹ 1984 EIS/EIR, Table 6.3.6-1.

²² 1984 EIS/EIR, Table 6.3.3-1, emphasis added.

²³ *Id.*, at p. 6-52, emphasis added.

²⁴ 1988 DPP, VIII-10.

API Recommended Practice 1111. The current Fifth Edition of API 1111 was adopted in September 2015 and reaffirmed in January 2021.²⁵

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.

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 as-laid 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*.²⁶

Thus, Sable's maintenance activities that involved installing sandbags under and around the SYU pipeline to remediate spans that exceed applicable criteria are consistent with the practices described in API 1111 and therefore its approved DPP.

C. Contemporary Minerals Management Service (MMS) Manuals Support Span Remediation Work

The 1992 MMS-sponsored Deepwater Pipeline Maintenance and Repair Manual²⁷ 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

²⁵ See Appendix F, API RP 1111, Design, Construction, Operation, and Maintenance of Offshore Hydrocarbon Pipelines (Limit State Design) (January 2021).

²⁶ API 1111, at p. 9.

²⁷ See Appendix G, Deepwater Pipeline Maintenance and Repair Manual Prepare for U.S. Department of the Interior Minerals Management Service (June 1992).

dumping, grout bag placement, or mattresses, which align with Sable’s use of sandbags. The following examples from the Manual establish that span remediation work using sandbags (or groutbags) 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.”
- “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.”

III. DPP REGULATORY FRAMEWORK

The regulatory framework governing the conduct of activities under an approved DPP is outlined in 30 CFR §§ 550.281 and 550.283. These regulations collectively affirm that the span remediation activities are permissible under the existing DPP and do not require a new CDP, consistency certification, or any amendments to the DPP.

A. *Conducting Activities Consistent with 30 CFR § 550.281*

Sable is operating the SYU, including the SYU pipelines, under an approved DPP, and its span remediation activities are consistent with the requirements of 30 CFR § 550.281. This regulation mandates that before conducting activities under an approved DPP, certain approvals and permits must be obtained from the District Manager or BSEE Regional Supervisor. These include approvals for applications for permits to drill, production safety systems, new platforms, or major modifications, lease term pipelines, and other permits as required by law.

The activities in these applications and permits must conform to the activities detailed in the approved DPP. Sable’s span remediation work, involving the placement of sandbags to support existing pipelines, is a maintenance activity that aligns with the scope and intent of the approved DPP. Accordingly, BSEE approved Sable’s span remediation work without requiring any amendments to Sable’s approved DPP.

30 CFR § 550.281(c) explicitly states that applications for licenses, approvals, or permits to conduct activities under an approved DPP, including those identified in paragraph (a), are not subject to separate State CZMA consistency review. Although Sable's span remediation work does not fall under the expressly identified activities in paragraph (a), any application for approval under its DPP, such as the request for approval to BSEE for the span remediation work, is not subject to a separate CZMA consistency review. This regulatory provision reinforces that Sable's span remediation activities do not require additional consistency certifications.

B. *Applicability of 30 CFR § 550.283*

Even if there were any question about whether Sable's span remediation activities are explicitly described under the existing DPP, 30 CFR § 550.283(a) clarifies the circumstances that require a revision or supplement to an approved DPP. The enumerated circumstances include changes to the type of drilling rig, production facility, or transportation mode and alterations in the surface location of a well or production platform beyond specified distances. Sable's span remediation activities, involving the placement of sandbags to support and maintain existing pipelines, do not involve any of the types of significant changes listed in 30 CFR § 550.283(a). In contrast, the span remediation activities are routine maintenance measures that do not alter the type or volume of production, emissions, or waste, nor do they involve any significant changes to infrastructure or operational methods.

1. *Notification Requirements Under 30 CFR § 250.1008(e)*

Further supporting Sable's position, 30 CFR § 250.1008(e) outlines the notification requirements for pipeline repairs. It states that the lessee or right-of-way holder must notify the Regional Supervisor before the repair of any pipeline or as soon as practicable. Sable's current deadline to file its report with BSEE is January 30. The report should include a description of repairs, results of pressure tests, and the date the pipeline returned to service.

The fact that the regulations require only a notification before repair, rather than a revision to the DPP, indicates that those maintenance and repair activities are anticipated and do not require amendments to the DPP. This further supports Sable's position that the span remediation activities are routine maintenance measures within the scope of the existing DPP and do not require additional regulatory approvals or consistency reviews.

In summary, the regulatory framework, as outlined in 30 CFR §§ 550.281 and 550.283, along with 30 CFR § 250.1008(e), collectively affirms that the span remediation activities are permissible under the existing DPP. They did not require a new consistency certification or any amendments to the DPP.

IV. COASTAL ACT AND CONSISTENCY CERTIFICATION

As discussed above, the CCC provided its concurrence in the project's consistency certification the same day that it approved the project's CDP No. E-88-1, underscoring the CCC's integrated consideration of the DPP and the CCC's 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.²⁸

CDP No. E-88-1 specifically included, as part of the project description, oil and produced water pipelines from offshore platforms to onshore facilities.²⁹ Moreover, the CCC was aware of and relied upon the State Lands Commission's conditions for the Project leases in state waters, which mandated "[a]nnual side-scan surveys of pipelines to check for bridging or other hazards to the pipeline."³⁰ This requirement was noted as factor in the CCC's determination that the risks and impacts associated with the project had been mitigated to the maximum extent feasible. The EIS/EIR, which the CCC also relied upon in connection with its federal consistency certification and CDP approval, further supported this conclusion by noting that "[t]he cumulative geologic impacts are minimized using conventional geotechnical design and construction methods, ***including ongoing maintenance of slope stabilization operations.***"³¹

The CCC's CDP findings recognized that the Project involved complex geotechnical and environmental considerations, particularly concerning the installation and maintenance of the pipelines. The CCC's findings highlighted the importance of addressing potential geologic constraints through "proper mitigation," which included "avoidance or ... engineering design."³² This is an explicit contemplation of engineering solutions, such as the deployment of 3/1 (sand/cement) bags to create support piers, as viable methods to address issues like pipeline spans caused by changes to geologic conditions. The CDP findings further noted 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."³³ This finding,

²⁸ Appendix D, Letter from Susan M. Hansch, Manager Energy and Ocean Resources Unit of CCC to Exxon Company U.S.A. (March 17, 1988).

²⁹ Appendix D, CDP No. E-88-1, p. 1 of 13.

³⁰ See CCC, Compendium of California Coastal Commission Decisions Under the Federal Consistency Provisions (March 30, 1990), pp. 254-255, available at: <https://documents.coastal.ca.gov/assets/fedcd/Compendium-of-CCC-FC-Decisions-OCS-1983-to-present.pdf>.

³¹ 1984 EIS/EIR, p. 6-52, emphasis added.

³² Appendix H, CCC Staff Recommendation on Permit and Consistency Certification, p. 78.

³³ *Id.*, at p. 4.

consistent with the analysis in the EIR/EIS and the maintenance activities in API Recommended Practice 1111 outlined in the existing DPP that was considered by the CCC in its Consistency Certification, supports providing continued support to the pipelines during operations through the use sandbags to stabilize soil movements.

Moreover, the CCC 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.”³⁴ This flexibility permits the adaptation of construction techniques, such as the deployment of the 3/1 sandbags, which align with the original analysis and objectives of the CDP. Further, the CCC also anticipated 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 that armor rock will be needed to secure the lines, but does not know the amount or size.”³⁵ This demonstrates that similar techniques to Sable’s span remediation procedures were specifically contemplated, and thus, the impacts of such methods were adequately considered within the scope of the CCC’s CDP approval.

In addition, within the required Marine Construction Mitigation Plan that the CCC ultimately approved for the SYU pipelines, 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.”³⁶ It went on to state that inspection surveys would be completed to “identify unacceptable free spans.”³⁷ Thus, the CCC specifically approved, under the CDP’s conditions, this sort of span remediation activity to (1) inspect the pipelines for unacceptable free spans, and (2) “modify” the seafloor to remediate any identified unacceptable spans.

In summary, the CCC’s CDP findings and related documents acknowledged that addressing hazardous geologic conditions through design and construction techniques, such as those performed by Sable, was part of the CCC’s analysis and approval of the Project.

V. SPAN REMEDIATION WORK ADHERES TO PAST PRACTICE ON SYU PIPELINES

Exxon’s previous pipeline span remediation activities also 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.

³⁴ *Id.*, at p. 44.

³⁵ *Id.*, at p. 45.

³⁶ Appendix I, Final Comprehensive Plan for Marine Biological Impact Reduction and Mitigation in Nearshore Waters of Las Flores Canyon, p. 19.

³⁷ *Id.*, at p. 38.

In 2012, the SLC and BSEE issued approvals to ExxonMobil to conduct maintenance on the Santa Ynez Unit pipelines. This work involved installing the same type of concrete bags using the same methodology employed by Sable in its maintenance activities to reduce free span lengths on the SYU's emulsion, gas, and water pipelines, addressing recurring spans caused by high currents. The scope of ExxonMobil'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."³⁸

As shown in the attached correspondence regarding this 2012 work, CCC staff was copied and aware of the proposed maintenance activities and did not require any new CDP or consistency certifications.³⁹ Sable's maintenance activities are fully consistent with Exxon's maintenance activities from 2012, and similarly do not require a new CDP or consistency certification.

VI. CONCLUSION

In conclusion, the span remediation work undertaken by Sable is fully permissible under the existing DPP and CDP. The work is a routine maintenance measure, consistent with the technical specifications outlined in the DPP, the analysis in the certified EIR/EIS and applicable regulatory requirements, ensuring the continued safe maintenance and operation of the SYU pipelines.

We are committed to ensuring compliance with all of the SYU's federal and state permits. We would be happy to discuss any questions you may have at your convenience.

Very truly yours,



Duncan Joseph Moore
of LATHAM & WATKINS LLP

cc: Errin Briggs, Santa Barbara County
Drew Simpkin, State Lands Commission
Minatte Matta, Bureau of Safety and Environmental Enforcement
Steve Rusch, Sable Offshore Corp.

³⁸ See Appendix J, July 7, 2011 Letter from Exxon to SLC.

³⁹ See Appendix K, January 27, 2012 Letter from Exxon to SLC.