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

IN THE MATTER OF )  
ADOPTING AMENDMENTS )  
TO THE TEXT OF )  
THE SANTA BARBARA COUNTY )  
LOCAL COASTAL PROGRAM )  
(LCP) AND CLARIFYING )  
INTERPRETATION OF )  
EXISTING POLICIES OF THE )  
LCP CONCERNING THE )  
TRANSPORTATION OF CRUDE )  
OIL AND THE PERMITTING )  
OF OIL AND GAS PROCESSING )  
FACILITIES. )  
\_\_\_\_\_ )

RESOLUTION NUMBER: 84-284

WHEREAS pipelines have been found to be less  
environmentally damaging than alternate modes of transportation; and

WHEREAS Policies 6-8 and 6-11 of the County Local Coastal  
Plan require that crude oil be transported by pipeline at such time  
as pipelines are found to be feasible, unless such transportation  
mode is infeasible for a particular operator; and

WHEREAS the general feasibility of pipeline transportation  
to a refining center will be determined through the market based on  
producer choice of refining center, refining capacity at that center  
and economic feasibility; and

WHEREAS other methods of transportation are needed because  
pipelines are not yet in place and may not be constructed to all  
refining centers; and

WHEREAS the potential for transportation demand may exceed  
system capacity;

1 NOW THEREFORE, BE IT, AND IT IS, HEREBY RESOLVED AS FOLLOWS:

2 A. The Board of Supervisors adopts and declares that the  
3 following seven points accurately reflect the intention and  
4 understanding of the Board as to existing County policies on the  
5 subject of oil transportation.

6 B. The County LCP, Comprehensive Plan and zoning  
7 ordinances shall be interpreted and implemented pursuant to these  
8 clarifications and guidelines:

9 1) Pipeline transportation of crude oil to a refining  
10 center served by a pipeline is presumed to be technically and  
11 economically feasible and the required method of transportation to  
12 that center.

13 2) Pipeline transportation of crude oil is presumed  
14 feasible for a particular shipper if a pipeline is in operation to  
15 the refining center of the shipper's choice.

16 3) To ensure implementation of County policies, oil  
17 processing facilities shall be conditioned to require that each  
18 shipper's oil leaving those facilities be transported by pipeline as  
19 soon as a pipeline is in operation to the refining center of the  
20 shipper's choice.

21 4) Until pipelines become available, and for refining  
22 centers not served by pipeline, other modes of oil transportation  
23 are allowed consistent with County policies. Rail is not preferred  
24 for large volume shipments of oil.

1           5) For refining centers served by pipeline, other modes of  
2 transportation up to the limits of permitted capacity for those  
3 modes, and with assurances that the shipper or transportation  
4 facility operator can and will mitigate the environmental impacts  
5 caused by the alternate transportation mode, are allowed only under  
6 the following circumstances:

- 7           a) Pipeline unavailability or inadequate capacity; or  
8           b) A refinery upset lasting no longer than two (2)  
9 months and only where the alternate refining center is  
10 not served by pipeline; or  
11           c) An emergency which may include a national state of  
12 emergency.

13           6) The requirement to use any common carrier pipeline  
14 under Policy 6-8 assumes that the cost of transporting oil to a  
15 shipper's refinery destination is reasonable when compared to the  
16 costs of alternative transportation modes. The comparative  
17 reasonableness of the costs, based on the balancing of public and  
18 private interests in economic and environmental factors, can be  
19 determined by the County on the request of the Planning Commission  
20 or Board of Supervisors or upon application by any shipper. The  
21 burden of proof as to inadequate capacity, unreasonable tariffs,  
22 environmental factors or the use of other transportation systems  
23 shall be on the shipper. If the County determines costs to be  
24 unreasonable, it may approve the use of an alternative  
25 transportation mode consistent with the terms of existing permits,  
26 pipeline commitments, and applicable laws and regulations including  
27 those dealing with appropriate mitigation measures.  
28

1           7) If upper throughput limits exist in any new oil  
2 transportation system, County shall use its best efforts to assure  
3 equitable, pro-rata access for all shippers. Permits for oil  
4 transportation systems shall require the permittee to make all  
5 reasonable efforts to achieve County's goals for consolidation.  
6 County shall retain continuing permit jurisdiction to assure that  
7 these goals are met.  
8

9           C. The Board of Supervisors hereby adopts amendments to  
10 the County Local Coastal Plan and Coastal Zoning Ordinance as  
11 presented in Attachment A to this Resolution and refers these  
12 amendments to the California Coastal Commission for certification  
13 pursuant to the California Coastal Act. In adopting these  
14 amendments the Board of Supervisors also hereby adopts the findings  
15 pertaining to these policies as presented in Attachment B to this  
16 Resolution.  
17

18           PASSED AND ADOPTED by the Board of Supervisors of the  
19 County of Santa Barbara, State of California, this eighteenth day of  
20 June, 1984, by the following vote:  
21

22           AYES:     David M. Yager, Robert E. Kallman,  
23                     DeWayne Holmdahl, Toru Miyoshi

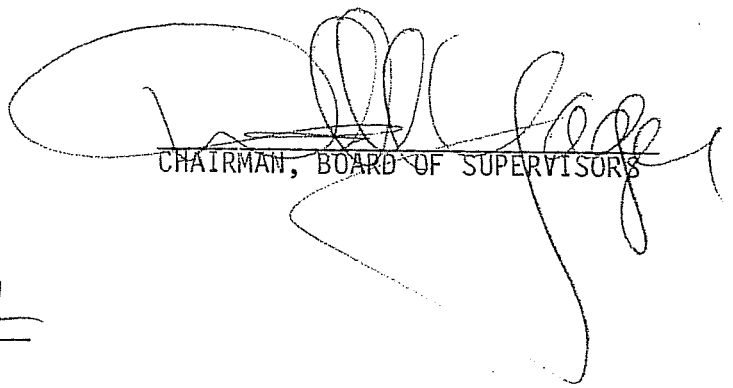
24           NOES:     William B. Wallace  
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26           ABSENT:  none  
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ATTEST:

HOWARD C. MENZEL  
County Clerk Recorder



CHAIRMAN, BOARD OF SUPERVISORS

By Vanessa Rish  
Deputy Clerk-Recorder

APPROVED AS TO FORM:

KENNETH L. NELSON  
County Counsel

By John Nelson  
Deputy County Counsel

Attachment A

Local Coastal Program Amendments  
As adopted for certification by California Coastal Commission

June 18, 1984

The following background text would be added to the Local Coastal Plan on page 62 following the first paragraph of the LCP section entitled "Oil and Gas Processing Facilities":

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

The County should assure that producers have access to competitive markets, however, the County need not provide unlimited flexibility to all producers. Since pipelines are not yet in place and may not be constructed to all refining centers, other methods of oil transportation are needed for production that precedes pipeline construction and operation and for refining centers not served by pipeline.

The County recognizes the potential for transportation demand to exceed system capacity and should take affirmative measures to ensure equitable, pro-rata access to the transportation system by all shippers consistent with the County's goals of consolidation.

Because of uncertainty regarding crude oil production volumes, industry economics, and permits, there is a need for periodic review of the County's oil transportation policies.

END OF TEXTUAL AMENDMENT

The following policies will be added to the LCP section entitled "Oil and Gas Processing Facilities" in the order indicated.

Policy 6-5A (Immediately preceding Policy 6-6)

The County's oil transportation policies shall be periodically reviewed and adjusted, if necessary. The first such review by the Planning Commission and Board of Supervisors shall take place no later than July 31, 1986.

Policy 6-6A (Immediately following Policy 6-6)

If upper throughput limits exist in any new oil transportation system, the County shall use its best efforts to assure equitable, pro-rata access for all shippers. Permits for oil transportation systems shall require the permittee to make all reasonable efforts to achieve County's goals for consolidation. County shall retain continuing permit jurisdiction to assure that these goals are met. For the purposes of this plan, "shipper" shall refer to the entity in legal ownership of the oil to be transported.

The following existing policy will be clarified by the amendments indicated. Additions are underlined while deletions are marked with slashes.

Policy 6-8

If an onshore pipeline for transporting crude oil to refineries is determined to be technically and economically feasible, proposals for expansion, modification, or construction of new coastal dependent oil and gas processing facilities shall be conditioned to require ~~transportation~~ transportation of oil through the pipeline when constructed, unless such condition would not be feasible for a particular ~~operator~~ shipper.

a) Pipeline transportation of crude oil to a refining center served by a pipeline is presumed to be technically and economically feasible and the required method of transportation to that center.

b) Pipeline transportation of crude oil is presumed feasible for a particular shipper if a pipeline is in operation to the refining center of the shipper's choice.

c) Crude oil processing facilities shall be conditioned to require that each shipper's oil leaving those facilities be transported by pipeline when a pipeline is in operation to the refining center of the shipper's choice.

d) Until pipelines become available, and for refining centers not served by pipeline, other modes of oil transportation are allowed consistent with County policies. Rail is not preferred for large volume shipments of oil.

POLICY 6-8 AMENDMENTS CONTINUE

e) For refining centers served by pipeline, other modes of transportation up to the limits of permitted capacity for those modes, and with assurances that the shipper or transportation facility operator can and will mitigate the environmental impacts caused by the alternate transportation mode, are allowed only under the following circumstances:

- 1) Pipeline unavailability or inadequate capacity; or
- 2) A refinery upset lasting no longer than two (2) months and only where the alternate refining center is not served by pipeline; or
- 3) An emergency which may include a national state of emergency.

#### Policy 6-8A

The requirement to use any common carrier pipeline under Policy 6-8 assumes that the cost of transporting oil to a shipper's refinery destination is reasonable when compared to the costs of alternative transportation modes. The comparative reasonableness of the costs, based on the balancing of public and private interests in economic and environmental factors, can be determined by the County as part of periodic review under Policy 6-5A, or upon application by any shipper. The burden of proof as to inadequate capacity, unreasonable tariffs, environmental factors or the use of other transportation systems shall be on the shipper. If the County determines costs to be unreasonable it may approve the use of an alternative transportation mode consistent with the terms of existing permits, pipeline commitments, and applicable laws and regulations including those dealing with appropriate mitigation measures.

#### END OF OIL AND GAS PROCESSING FACILITY AMENDMENTS

The following background text would be added to the LCP following the second paragraph of the section entitled "Marine Terminals" on page 63:

The County recognizes the potential for transportation demand to exceed system capacity and should take affirmative measures to ensure equitable access to the transportation system by all shippers entitled to use it consistent with the County's goals of consolidation. Equitable access is intended to prevent non-owners of a facility from being forced out of, or not allowed into, transportation facilities.

The County does not wish to encourage the long term use of marine transportation facilities which are incompatible with surrounding land uses or which possess technological limitations significantly affecting or potentially affecting public health and safety and the environment.

END OF TEXTUAL AMENDMENT



Policy 6-11 would be amended as indicated.

Policy 6-11

If an onshore pipeline is determined to be technically and economically feasible existing marine terminals shall become, after a specified period, non-conforming uses. Crude oil shall be transported by pipeline, unless the County makes the finding that ~~transportation~~ transportation of oil by pipeline is not feasible for a particular ~~operator~~ shipper according to the provisions of Policies 6-8 and 6-8A.

Policy 6-11A (Immediately following 6-11)

Consistent with other provisions of this Plan, permits for expansions of existing or for new marine terminals may be issued with capacity to permit transportation of only the amount of oil reasonably necessary to serve emergency or non-pipeline refinery destinations. If such new or expanded facility or facilities are permitted in a size necessary to reasonably handle such volumes, existing non-expanded marine terminals which are inferior due to surrounding land use or technological limitations will become non-conforming uses consistent with the County's goals of consolidation and environmental protection.

Policy 6-11B (Following 6-11A)

Policy 6-6 and 6-6A regarding consolidation of oil and gas processing facilities shall be applied to all oil and gas facilities. Consolidated storage facilities shall be designed to support a complete oil transportation system including one or more transportation modes. Facilities approved by the County shall be sited to provide for reasonable expansion.

END OF GENERAL TRANSPORTATION POLICY AMENDMENTS

COASTAL ZONING ORDINANCE AMENDMENTS FOLLOW

Coastal Zoning Ordinance Amendments

The Coastal Zoning Ordinance would be amended as follows:

CZ Section 35-154.5(i):

After adoption of a resolution by the County Board of Supervisors that an onshore pipeline for transporting crude oil to refineries is technically and economically feasible, Proposals for expansion, modification, or construction of new onshore processing facilities for offshore oil and gas shall be conditioned to require transportation of each producer's shipper's oil leaving the facility through the pipeline when constructed, unless such conditions would not be feasible for a particular operator by pipeline as soon as the shipper's refining center of choice is served by a pipeline. Transportation by other modes may be permitted prior to a pipeline's becoming operational and if a commitment to use of a pipeline when available has been made or if the County has made a finding that:

- 1) A pipeline is unavailable or has inadequate capacity; or
- 2) A refinery upset lasting less than two months which precludes the use of a pipeline to that refinery and which requires transportation of oil to an alternate refining center not served by pipeline has taken place; or
- 3) The tariffs of transporting the oil for use of a common carrier pipeline are unreasonable based on a balancing of public and private interests in economic and environmental factors; or
- 4) An emergency, which may include a national state of emergency, has precluded use of a pipeline.

A producer relying on the provisions of subparagraphs (1), (2), or (4) above must notify the Director of the Resource Management Department of the reasons why pipelines will not be used and the anticipated duration. If the Director disagrees with the need or duration of use of alternative transportation modes, the County will institute appropriate enforcement action.

## Attachment B

### Findings related to the adoption of Oil Transportation Policies

- A) The Board of Supervisors hereby certifies that it has been presented with the Final EIR for Santa Barbara County Oil Transportation Policies (May 31, 1984) and that it has reviewed and considered the information in the document prior to adopting any proposed policies.
- B) The Board hereby finds the following:

The County of Santa Barbara recognizes that the California Environmental Quality Act requires that decision-makers balance the benefits of a proposed action against its unavoidable environmental risks in determining whether to take the action. The policy amendments being adopted today are designed to clarify the County's existing oil transportation policies that identify pipelines -- the environmentally preferred mode of transportation -- as the County's preferred mode of transportation. Thus the amendments themselves are intended to support policies designed to promote environmental protection.

Impacts which result from oil transportation and the related facilities permitted under the existing policies and policy amendments will vary considerably by transportation facility and site. It is the County's intent to minimize all adverse environmental impacts to the maximum extent feasible through its policies and by carefully reviewing each transportation facility as it is proposed. These findings refer to impacts which may result from projects approved under these policies.

1. Without extensive mitigation, tanker transportation may cause significant air quality impacts as reported in the Final EIR. Project emissions are regulated, however, by the County Air Pollution Control District (APCD) according to current air pollution control laws which require that emission offsets be obtained for specific projects in a manner that provides a net air quality benefit. Projects proposed will be individually reviewed by APCD through its "authority to construct" approvals and "permits to operate". As it is only when a project meets legal requirements to provide a net air quality benefit that construction and operation can commence, the County finds that potential air quality impacts are substantially mitigated through existing regulations.
2. Operational oil spills resulting from tanker transportation and accidental oil spills resulting from rail transportation may cause significant environmental impacts. Through the review of individual projects, the County will use its best efforts to ensure that measures are taken to prevent oil spills and mitigate their impacts to the maximum extent feasible. In addition, the proposed policies are intended to reasonably minimize the use of marine transportation and the potential for oil spills. Even with the best possible mitigation and the proposed policies, the risk of oil spills remains. Because of the overriding need to allow transportation of oil processed in Santa Barbara County, although the risk cannot be reduced to a level of insignificance it can be considered "acceptable" under Section 15093 of the CEQA Guidelines.

3. The EIR states that the risk of oil spills resulting from tanker casualties is directly related to the total number of tanker port calls in the Channel. These impacts will be partially mitigated by the implementation of conditions placed on specific projects which may be approved under County policies. Because of the overriding need to allow some form of transportation of oil processed in Santa Barbara County, however, the risk cannot be reduced to a level of insignificance and may be considered "acceptable" under Section 15093 of the CEQA Guidelines.

4. The EIR concludes that pipelines are vulnerable to geologic hazards and that ruptures and other pipeline failures caused by geologic activity can cause significant impacts. The County has determined, however, that when all environmental factors are considered in toto, transportation of crude oil by pipeline is environmentally preferable to other large-volume modes of transportation.

To ensure that environmental risks due to geologic forces acting on pipelines are minimized, the geologic characteristics of proposed pipeline routes will be carefully investigated before approval, as will the design features of the pipelines. Pipeline systems and programs designed to monitor the integrity of the pipeline will be required as permit conditions. Although risk remains despite mitigation, the County finds that the overall superior environmental performance of pipelines outweighs the risk and that the significant impacts due to geologic activity are "acceptable" under Section 15093 of the CEQA Guidelines.

5. Single Anchor Leg Moorings and tank farms are vulnerable to geologic hazards. The potential for impacts that result from geologic activity will be mitigated to the maximum extent feasible and substantially lessened through engineering features in individual project descriptions and through conditions placed on individual projects as appropriate.
6. Individual project proposals will be subject to federal, state, and county policies regarding grading, areas of environmentally sensitive habitats, species of special concern, and other factors pertaining to terrestrial ecology resources. Impacts on the terrestrial ecology of the County will be mitigated by protective measures incorporated in the project descriptions of individual projects as they are proposed, and by project conditions requiring habitat protection and/or enhancement.
7. The risks of environmental impacts resulting from tank farm fires and explosions and tank ruptures will be mitigated by requiring implementation of a System Safety Risk Management Plan as a condition of project approval.
8. The construction of pipelines, tanker facilities, and tank farms may lead to the loss of unknown subsurface cultural resources. Although known resources and those discovered in the course of construction will be avoided or protected according to local, state, and federal laws and regulations, undiscovered cultural resources may be inadvertently buried or disturbed. The County will ensure through individual project review that such impacts will be minimized. The impact cannot be entirely mitigated; however, the County finds that the benefits of the proposed amendments and the need to provide for oil transportation outweigh this unavoidable adverse impact to cultural resources.