

Appendix B

**COMMENTS ON NOP
AND INDEX TO LOCATION
WHERE EACH INDIVIDUAL NOP
COMMENT IS ADDRESSED IN EIR**

INDEX TO NOP COMMENTS

1
2 Appendix B includes a copy of the Notice of Preparation (NOP) for the Revised PRC
3 421 Re-commissioning Project (Revised Project), transcripts from the Public Scoping
4 Hearings conducted on the NOP, copies of all comment letters received on the NOP
5 during the public comment period, and an indication (Section or sub-Section) where
6 each individual comment is addressed in the Revised Draft Environmental Impact
7 Report (Recirculated Draft EIR). **Table B-1** lists all comments and shows the comment
8 set identification number for each letter or commenter. **Table B-2** identifies the location
9 where each individual comment is addressed in the Recirculated Draft EIR.

Table B-1
NOP Commenters and Comment Set Numbers

Agency /Affiliation	Name of Commenter	Date of Comment	NOP Comment Set
City of Goleta	Anne Wells	4/29/13	1
County of Santa Barbara, Planning and Development Department	Glenn S. Russell	4/29/13	2
County of Santa Barbara, Office of Emergency Planning	Elsa Arndt	4/29/13	3
Santa Barbara County Air Pollution Control District	Eric Gage	4/22/13	4
Department of Conservation, Division of Oil, Gas, & Geothermal Resources	Patricia A. Abel	4/22/13	5
Natural Resources Defense Council (NRDC)	Karen Garrison	4/29/13	6
Environmental Defense Center (EDC)	Linda Krop	4/24/13	7
League of Women Voters	Beth Pitton-August	3/29/13	8
Barbareño/Ventureño Band of Mission Indians	Kathleen Pappo	4/24/13	9
California Center for Public Policy	Lanny Ebenstein, Ph.D.	4/29/13	10
Interested Party – Resident	Richard Whited	4/29/13	11
Transcript from NOP Public Scoping Meeting on 4/3/2013 from 3:05 pm to 6:15 pm	Various	4/3/13	12
Interested Party	Ingeborg Cox MD, MPH	4/28/2013	13

**Table B-2
Responses to the NOP Comments**

Comment #	Responses
Comments from the City of Goleta	
1-01	Figure 1-1 has been updated to include this information.
1-02	Comment noted. The locations of the various jurisdictions have been clarified on figures and within the text as appropriate. However, the EIR must analyze the whole of the Project and breaking down the analysis by jurisdiction would serve to confuse the reader rather than adding clarity.
1-03	Suggested edits from the NOP project description regarding the EOF and Line 96 are included in Section 2.2, Proposed Project, of this Recirculated Draft EIR.
1-04	The existing pipeline is described in Section 2.1, Project Background.
1-05	A preliminary decommissioning plan has been developed by CSLC for the Revised Project. This plan is included in 2.6 in the Recirculated Draft EIR.
1-06	An updated description of the 2-inch flowlines is included in Section 2.2, Proposed Project. The details of Project tie-in into the Holly pipeline prior to entering the EOF are also described in Section 2.2. The new meter would be installed at the connection with the Holly pipeline.
1-07	The existing state of the access road for the piers and potential repairs that would be necessary in order to use the road during the construction of the project are addressed in Section 2.3, Construction Procedures.
1-08	Suggested edits to the NOP project description are included in Section 2.2, Proposed Project, of this Recirculated Draft EIR.
1-09	Section 5.0, Project Alternatives Analysis, assess a reasonable range of alternatives to the proposed Project, including a No Project Alternative and Processing PRC 421 Oil at LFC. Refer to Section 5.3 in the Recirculated Draft EIR.
1-10	The pipeline from 421 to the EOF is evaluated for safety and risk of upset in Section 4.2, Safety.
1-11	The evaluation of the potential release of hazardous materials related to all aspects of the project, including construction of new pipelines from 421 to the EOF, is addressed in Section 4.3, Hazardous Materials.
1-12	The Recirculated Draft EIR includes an analysis of potential impacts on marine and terrestrial biological resources from all aspects of the Project, including operation of Well 421-2, decommissioning of Pier 421-1, changes to the EOF, and installation of new pipelines in Sections 4.6, Marine Biological Resources, and 4.7, Terrestrial Biological Resources.
1-13	Information about the City of Goleta General Plan Safety Element is included in Sections 4.2, Safety, and 4.8, Land Use, Planning, and Recreation.
County of Santa Barbara, Division of Environmental Planning and Management	
2-01	Long-term structural integrity of the pier related to erosion, tsunami, and seismic events is addressed in Section 4.1, Geological Resources.
2-02	Section 4.1, Geological Resources, addresses potential risks from reinjection of water at onshore well WD-1. The Project includes monitoring of repressurization in the reservoir to ensure reinjection does not increase seepage or increase risk of failure of other plugged wells.
2-03	Suggested edits from the NOP project description regarding the products carried

**Table B-2
Responses to the NOP Comments**

Comment #	Responses
	through Line 96 are included in Section 2.2, Proposed Project, of this Recirculated Draft EIR.
2-04	Comment noted.
2-05	Potentially hazardous materials that may be mobilized during pier decommissioning are addressed in Section 4.3 Hazardous Materials.
2-06	Comment noted.
2-07	Information about when the PRC 421 pipeline was placed out of service, including the procedures that were followed, are included in Section 2.1, Project Background.
2-08	Comment noted.
2-09	Comment noted.
2-10	Potential for impacts to Devereux Slough are addressed in Sections 4.5, Hydrology, Water Resources, and Water Quality; 4.6, Marine Biological Resources; and 4.7, Terrestrial Biological Resources.
2-11	A new air quality analysis was performed for the Revised Project. This analysis is discussed in Section 4.4, Air Quality and Greenhouse Gasses.
2-12	Potential impacts to recreational resources due to an accidental offshore oil release are addressed in Section 4.8, Land Use, Planning, and Recreation. The methodology used to assess these impacts is discussed in Section 4.5 Hydrology, Water Resources, and Water Quality.
2-13	Project-related traffic routes are described in Section 4.10, Transportation and Circulation.
County of Santa Barbara, Office of Emergency Management	
3-01	Comment noted.
3-02	The area's designation as a High Consequence Area and Unusually Sensitive area is discussed in Section 2.1, Project Background, as well as Sections 4.2, Safety; 4.5 Hydrology, Water Resources, and Water Quality; 4.6, Marine Biological Resources; and 4.7, Terrestrial Biological Resources.
3-03	Compliance with Title 49, Part 195, Transportation of Hazardous Liquids by Pipeline, regarding pipeline safety is addressed in Section 4.2 Safety. However, please note that the proposed flowline is 3 inches in diameter, enclosed in a 6-inch line for protection.
3-04	There will be no new drilling related to installation of a monitoring well. The NOP stated that, "Neither Venoco nor the CSLC can monitor the reservoir's pressure without first drilling a well into the reservoir." This wording was inaccurate, in that monitoring may be performed through the use of a reactivated well, which does not require drilling. Therefore, reactivation of an old well, for this Project Well 421-2, would allow for monitoring. Use of Well 421-2 for monitoring of the reservoir's pressure is discussed in Section 2.4, Operation, Maintenance, and Safety Controls.
3-05	Section 2.4, Operation, Maintenance, and Safety Controls, includes a discussion regarding backup power, the maintenance, and the security plan for PRC 421-2, as well as maintenance of the access road.
Santa Barbara County Air Pollution Control District	
4-01	The Santa Barbara County Air Pollution Control District's (APCD's) guidance document, <i>Scope and Content of Air Quality sections in Environmental Documents</i>

**Table B-2
Responses to the NOP Comments**

Comment #	Responses
	(updated December 2011), was used for guidance in the air quality analysis in Section 4.4, Air Quality and Greenhouse Gasses.
4-02	Emission quantification for construction and operation of the Revised Project is analyzed for compliance with APCD's permit requirements in Section 4.4, Air Quality and Greenhouse Gasses.
4-03	An assessment of toxic air contaminant emissions and associated health risks is included in Section 4.4, Air Quality and Greenhouse Gasses. A formal Health Risk Assessment was not conducted for the EIR, but a Quantitative Risk Assessment is required as mitigation (refer to MM HAZ-1e).
4-04	Consistency with the APCD Clean Air Plan is addressed in Section 4.4, Air Quality and Greenhouse Gasses.
4-05	Land uses surrounding the Project area that are sensitive to air quality impacts are examined in Section 4.4, Air Quality and Greenhouse Gasses.
4-06	Section 4.4, Air Quality and Greenhouse Gasses, includes significance thresholds for volatile organic chemicals (also known as reactive organic compounds) and nitrogen oxides, and analysis of Project-related emissions in relation to these thresholds.
4-07	Emissions related to construction of the Revised Project are addressed in Section 4.4, Air Quality and Greenhouse Gasses. Mitigation measures to address potential impacts, are also included in this section, and a Mitigation Monitoring Plan is included in Section 7 of the Recirculated Draft EIR.
4-08	Greenhouse gas emissions and global climate change impacts are addressed in Section 4.4 Air Quality and Greenhouse Gasses.
Department of Conservation, Division of Oil, Gas, and Geothermal Resources	
5-01	The Revised Project does not include injection into Well 421-1; however, it would include injection of additional water into the existing well at the EOF. This activity is described in Section 2.2, Proposed Project, and analyzed further in Section 4.1, Geological Resources.
5-02	The Revised Project does not include on-site gas/oil/water separation. Since this element was removed from the Project, it is not considered in this Recirculated Draft EIR.
5-03	Section 4.3, Hazardous Materials, addresses the need for an updated spill contingency plan.
5-04	Comment noted.
Natural Resources Defense Council (NRDC)	
6-01	The marine protected areas (MPAs) surrounding the Project site are shown on Figure 4.6-1 and potential impacts of the Revised Project on marine biological resources within the surrounding MPAs are addressed in Section 4.6, Marine Biological Resources.
Environmental Defense Center (EDC)	
7-01	A detailed Project Description is included in Section 2.2, Proposed Project.
7-02	Re-pressurization of the Lease PRC 421 reservoir is discussed in Section 4.2, Safety, and potential risks and impacts related to this re-pressurization are discussed in Sections 4.1, Geological Resources, and 4.2, Safety.

**Table B-2
Responses to the NOP Comments**

Comment #	Responses
7-03	Production history, spill history, and existing infrastructure for Lease PRC 421 are discussed in Section 2.1, Project Background, while proposed infrastructure is discussed in Section 2.2, Proposed Project.
7-04	Section 2.2, Proposed Project, provides the best estimate of the life of the proposed Revised Project.
7-05	An inventory of sensitive, rare, threatened, and endangered species and habitats in the area surrounding the proposed Project site is included in Sections 4.6, Marine Biological Resources, and 4.7, Terrestrial Biological Resources. Also, existing public access to the beach, Ellwood, Devereux, the Bacara, and Sandpiper Golf Course is discussed in Section 4.8, Land Use, Planning, and Recreation.
7-06	Analysis of potential accidental release of hazardous materials and associated impacts are addressed in Sections 4.2, Safety, and 4.3, Hazardous Materials. Potential impacts specifically related to biological resources and public use related to an accidental release are addressed in Sections 4.6, Marine Biological Resources; 4.7, Terrestrial Biological Resources; and 4.8, Land Use, Planning, and Recreation.
7-07	The condition of existing Project equipment is described in Section 2.1, Project Background, while potential associated risks are evaluated in Sections 4.2, Safety, and 4.3, Hazardous Materials, as well as in the applicable section for each issue area.
7-08	Section 2.2, Proposed Project, discusses proposed throughput at the EOF.
7-09	Section 4.8, Land Use, Planning, and Recreation, discusses policies and ordinances for the City of Goleta, and assesses consistency of the Revised Project and alternatives with these policies and ordinances.
7-10	Greenhouse gas emissions and global climate change impacts are addressed in Section 4.4 Air Quality and Greenhouse Gases. A zero-emission threshold of significance for greenhouse gases was used in the analysis.
7-11	Impacts related to sea level rise, earthquakes, tsunamis, and winter storm surge events on the pier and related infrastructure are addressed in Section 4.1, Geological Resources.
7-12	The Production/Quitclaim State Oil and Gas Lease PRC 421 Alternative was evaluated in the Recirculated Draft EIR, including a discussion regarding the infeasibility of pressure testing (refer to Section 5.3.2). However, pressure testing prior to beginning production has been included as part of the Project (refer to Section 2.4.5).
7-13	Pressure testing prior to beginning production has been included as part of the Project (refer to Section 2.4.5).
7-14	The Processing PRC 421 Oil at LFC Alternative is evaluated in Section 5.3.4 in the Recirculated Draft EIR.
7-15	Comment noted.
League of Women Voters of Santa Barbara	
8-01	Analysis of potential accidental release of hazardous materials and associated impacts are addressed in Sections 4.2, Safety, and 4.3, Hazardous Materials. Potential impacts related specifically to marine biological resources, including those surrounding the University of California and those located in Devereux Slough, are addressed in Sections 4.6, Marine Biological Resources.
8-02	The Revised Project does not include oil and gas processing on the pier. Since this element was removed from the Project, it is not considered in this Recirculated Draft

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Responses to the NOP Comments**

Comment #	Responses
	EIR. The Processing PRC 421 Oil at LFC Alternative is evaluated in Section 5.3.4 in the Recirculated Draft EIR.
Barbareño/Ventureño Band of Mission Indians	
9-01	Comment noted.
California Center for Public Policy	
10-01	Re-pressurization of the Lease PRC 421 reservoir is discussed in Section 4.2, Safety. Instillation and use of a monitoring well is discussed in Section 2.4.5.
10-02	Comment noted.
Richard Whited	
11-01	Comment noted.
11-02	Potential impacts to pressure in the formation and resulting natural leakage are addressed in Section 4.1, Geological Resources.
11-03	Comment noted.
Transcript from NOP Public Scoping Meeting 4/3/13 at 3:05 pm	
12-01	The integrity and safety of the facilities use for extraction, transmission, and processing of oil and gas from Lease PRC 421 are addressed in Sections 4.2, Safety, and 4.3, Hazardous Materials.
12-02	Oil and gas processing will not occur at the pier; however, it will continue at the EOF. Continued use of this facility is addressed in Section 4.8, Land Use, Planning, and Recreation.
12-03	Re-pressurization of the Lease PRC 421 reservoir is discussed in Section 4.2, Safety, of this Recirculated Draft EIR.
12-04	The best estimate of the expected life of the project, based on economics, production, and pressurization, is discussed in Section 2.2, Proposed Project.
12-05	Analysis of potential accidental release of hazardous materials and associated impacts are addressed in Sections 4.2, Safety, and 4.3, Hazardous Materials.
12-06	Greenhouse gas emissions and global climate change impacts are addressed in Section 4.4 Air Quality and Greenhouse Gases. A zero-emission threshold of significance for greenhouse gases was used in the analysis.
12-07	The Processing PRC 421 Oil at LFC Alternative is evaluated in Section 5.3.4 in the Recirculated Draft EIR.
12-08	Comment noted.
12-09	Existing infrastructure for Lease PRC 421 is discussed in Section 2.1, Project Background, while proposed infrastructure is discussed in Section 2.2, Proposed Project. Analysis of safety risks and potential accidental release of hazardous materials and associated impacts are addressed in Sections 4.2, Safety, and 4.3, Hazardous Materials.
12-10	Re-pressurization of the Lease PRC 421 reservoir is discussed in Section 4.2, Safety, of this Recirculated Draft EIR.
12-11	Greenhouse gas emissions and global climate change impacts are addressed in Section 4.4 Air Quality and Greenhouse Gasses. A zero-emission threshold of

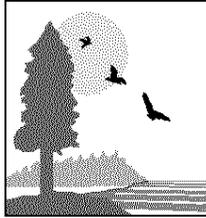
**Table B-2
Responses to the NOP Comments**

Comment #	Responses
	significance for greenhouse gases was used in the analysis.
12-12	Re-pressurization of the Lease PRC 421 reservoir is discussed in Section 4.2, Safety, of this Recirculated Draft EIR.
12-13	Existing infrastructure for Lease PRC 421 are discussed in Section 2.1, Project Background, while proposed infrastructure is discussed in Section 2.2, Proposed Project. The 6-inch pipeline that connects PRC 421 to Line 96 would be tested and internally lined prior to use.
12-14	Greenhouse gas emissions and global climate change impacts are addressed in Section 4.4 Air Quality and Greenhouse Gasses. A zero-emission threshold of significance for greenhouse gases was used in the analysis.
12-15	The Production/Quitclaim State Oil and Gas Lease PRC 421 Alternative was evaluated in the Recirculated Draft EIR, including a discussion regarding the infeasibility of pressure testing (refer to Section 5.3.2). However, pressure testing prior to beginning production has been included as part of the Project (refer to Section 2.4.5). The Processing PRC 421 Oil at LFC Alternative is evaluated in Section 5.3.4 in the Recirculated Draft EIR.
12-16	Analysis of potential accidental release of hazardous materials and associated impacts are addressed in Sections 4.2, Safety, and 4.3, Hazardous Materials.
12-17	See Section 4.8, Land Use, Planning, and Recreation, for a discussion of the existing buildings and the non-conforming facility.
12-18	See Section 2.2, Proposed Project, for a site plan of the EOF and a description of Line 96.
12-19	See Section 4.1, Geological Resources, for a discussion of risks associated with tsunamis, earthquakes, and liquefaction.
12-20	Section 4.2, Safety, addresses safety risks to the surrounding area, including the new housing at The Bluffs and Haskell's Landing.
12-21	Parking during the construction period is addressed in Section 4.10, Transportation and Circulation.
12-22	Existing infrastructure for Lease PRC 421 is discussed in Section 2.1, Project Background, while proposed infrastructure is discussed in Section 2.2, Proposed Project. Information about hydrotesting and improvements to the 6-inch pipeline between oil well 421-2 and the EOF are also included in Section 2.2, Proposed Project.
12-23	The Revised Project does not include on-site cyclone separator. Since this element was removed from the Project, it is considered in this Recirculated Draft EIR only as part of the alternatives.
12-24	Section 2.4, Operation, Maintenance, and Safety Controls, discusses maintenance of pipeline infrastructure.
12-25	Yes, CSLC is coordinating with the Department of Transportation for elements of the Revised Project that are under their jurisdiction. Refer to Section 1.3.
12-26	The inlet and outlet flow for Line 96 are discussed in Section 2.5, Use of the New Line 96 Pipeline Extension.
12-27	Potential environmental impacts on the surrounding area, including local housing communities, is addressed in Section 4.2, Safety, as well as the applicable sections for specific issue areas.

**Table B-2
Responses to the NOP Comments**

Comment #	Responses
12-28	Water consumption for the Revised Project is addressed in Section 4.5, Hydrology, Water Resources, and Water Quality.
12-29	Comment noted.
12-30	The presence of benzene following a potential spill is addressed in Section 4.5, Hydrology, Water Resources, and Water Quality.
12-31	Under the Project, Pier 421-1 would be decommissioned and removed. No additional equipment removal and decommissioning is proposed.
12-32	Risks associated with tsunamis and earthquakes are addressed in Section 4.1 Geologic Resources
12-33	Greenhouse gas emission thresholds are discussed in Section 4.4, Air Quality and Greenhouse Gasses.
Ingeborg Cox, MD, MPH	
13-01	Potential impacts to sensitive habitats and special status species at Bell Canyon Creek are addressed in Sections 4.6, Marine Biological Resources, and 4.7, Terrestrial Biological Resources.
13-02	Water quality in Bell Canyon Creek is addressed in Section 4.5, Hydrology, Water Resources, and Water Quality.
13-03	No new drilling will occur under the Revised Project. Please see Section 2.2, Proposed Project.
13-04	As discussed in Section 1.2, Public Review and Comment, citizens of Goleta will have the opportunity to comment on the Revised Project, either through written correspondence during one of the comment periods or through participation at a public meeting.
13-05	New population and housing in the area surrounding the Revised Project was considered in the analysis contained in all applicable sections of this Recirculated Draft EIR.
13-06	See Section 4.8, Land Use, Planning, and Recreation, for a discussion of the existing non-conforming use associated with the EOF.
13-07	Fracking and slant drilling are not a part of the Revised Project; therefore, this Recirculated Draft EIR does not include an analysis of these actions.

CALIFORNIA STATE LANDS COMMISSION
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March 26, 2013

REVISED
**NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL IMPACT REPORT
AND NOTICE OF PUBLIC SCOPING MEETING**

File Ref: SCH No. 2005061013
CSLC EIR No. 732; PRC 421; W30159

NOTICE IS HEREBY GIVEN that the California State Lands Commission (CSLC), as Lead Agency under the California Environmental Quality Act (CEQA), will prepare an Environmental Impact Report (EIR), and that CSLC staff will hold a public scoping meeting, pursuant to CEQA (Pub. Resources Code, § 21083.9, subd. (a)(2)) and the State CEQA Guidelines (§§ 15082, subd. (c) and 15083), for the project listed below.¹

Project Title: REVISED PRC 421 RECOMMISSIONING PROJECT

Applicant: Venoco, Inc. (Venoco)

Project Location: In State waters in the eastern portion of the Santa Barbara Channel in the City of Goleta, southern Santa Barbara County (**Figure 1-1**)

Meeting Information: **Wednesday, April 3, 2013**; sessions begin at **3 PM** and **6 PM**
City of Goleta Council Chamber, City Hall
130 Cremona Drive, Suite B
Goleta, CA 93117

Note: This is a Revised Notice of Preparation (NOP) due to Venoco's modification to its proposed Project Description. Venoco proposes to process production of PRC 421 oil within Venoco's Ellwood Onshore Facility (EOF) in the city of Goleta rather than on the shoreline pier (421-2) as previously proposed. Processing production on the pier will be analyzed as an alternative (see Attachment 1). The comment period has been extended and written comments must be received or postmarked by **April 29, 2013**.² Please send your comments at the earliest possible date to the contact information below. The scoping meeting date and times have not changed.

¹ CEQA is found in Public Resources Code section 21000 et seq. The State CEQA Guidelines are found in California Code of Regulations, Title 14, section 15000 et seq.

² State CEQA Guidelines sections 15103 and 15082, subdivision (b), require that responses to a NOP must be provided within 30 days after receipt of the Notice.

The CSLC staff has prepared this Revised NOP in order to obtain agency and the public's views, in writing and/or at the public meeting, as to the scope and content of the environmental analysis, including the significant environmental issues, reasonable range of alternatives, and mitigation measures that should be included in the EIR. Applicable agencies will need to use the EIR when considering related permits or other approvals for the Project. This Revised Notice is also available online at www.slc.ca.gov (under the "Information" tab and "CEQA Updates" link).

Eric Gillies, Assistant Chief Division of Environmental Planning and Management California State Lands Commission 100 Howe Avenue, Suite 100-South Sacramento, CA 95825	E-mail: CEQAcomments@slc.ca.gov FAX: (916) 574-1885 Phone: (916) 574-1890
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PROJECT SUMMARY

Venoco has applied to the CSLC to implement the Revised PRC 421 Recommissioning (Project). Venoco identified the following Project objective: to return Oil and Gas Lease PRC 421 to full oil production.

Attachment 1 includes a revised description of the proposed Project and information on its potential environmental effects. The physical environmental conditions as they exist on the publication date of this NOP will be used as the baseline setting by which the CSLC determines the significance of impacts (see State CEQA Guidelines, § 15125, subd. (a)). The CSLC staff determined that an EIR is clearly required for the Project and has not prepared an Initial Study (as provided for in State CEQA Guidelines, § 15063, subd. (a)).

The CSLC staff suspended preparation of a prior EIR for the Project due to major changes to Project details that have occurred since staff released a Draft EIR (State Clearinghouse [SCH] No. 2005061013) for public review in 2007. The CSLC staff, in consultation with other agencies, determined that these changes, identified in Attachment 1, necessitated the preparation of a new NOP (now revised) and new EIR for the Project.

PUBLIC SCOPING MEETING

Each session of the scoping meeting noticed above will begin with a brief presentation on the proposed Project. The CSLC staff will then receive comments on the potential significant environmental issues, Project alternatives, and mitigation measures that should be included in the EIR, until all persons present who wish to provide oral comments have done so, at which time staff will close the session. Depending on the meeting attendance, a three-minute time limit on oral comments may be imposed.

IMPORTANT NOTES TO COMMENTERS

1. If you submit written comments, you are encouraged to submit electronic copies by e-mail to CEQAcomments@slc.ca.gov and write "**Revised PRC 421 Recommissioning NOP Comments**" in the subject line of your email. If written comments are faxed, please also mail a copy to ensure that a readable copy is received by this office.
2. Before including your mailing or email address, telephone number, or other personal identifying information in your comment, please be aware that the entire comment—including personal identifying information—may become publicly available, including in the EIR and posted on the Internet. The CSLC will make available for inspection, in their entirety, all comments submitted by organizations, businesses, or individuals identifying themselves as representatives of organizations or businesses.
3. If you represent a public agency, please provide the name, email address, and telephone number for the contact person in your agency for this EIR.
4. If you require a sign language interpreter, or other reasonable accommodation to conduct business with CSLC staff at the scoping meeting for a disability as defined by the Federal Americans with Disabilities Act and California Fair Employment and Housing Act, please contact the CSLC staff person listed in this NOP at least 48 hours in advance of the meeting to arrange for such accommodation.
5. Please contact the staff person listed in this NOP by phone at (916) 574-1890 or by email at Eric.Gillies@slc.ca.gov if you have any questions.

Signature:  _____ Date: March 26, 2013

Eric Gillies, Assistant Chief
Environmental Planning and Management

Figure 1-1. Proposed Project Location



ATTACHMENT 1 REVISED PRC 421 RECOMMISSIONING PROJECT DESCRIPTION

1.0 Physical Description of Proposed Project

The California State Lands Commission (CSLC) is considering an application received from Venoco, Inc. (Venoco) to return existing Oil and Gas Lease PRC 421 to production after ongoing production was shut-in in 1994. The Project would share infrastructure used by other existing Ellwood area facilities as described in Table 1-1 (see Figure 1-1 for locations). Based on current projections, Venoco estimates the productive life of Lease PRC 421 to be approximately 12 years, commencing in 2013 and continuing to and potentially beyond 2025 depending upon production characteristics and Project economics. Venoco expects first-year production levels to average 700 barrels of oil per day (BOPD), with a maximum daily production as high as 1,000 BOPD, and 120 barrels of water per day (BWPD), with oil production tapering off to approximately 100 BOPD and water production increasing to nearly 900 BWPD by the final year of production.

Commencement of production would also enable the CSLC staff to assess if the Lease PRC 421 oil and gas reservoir is naturally re-pressurizing; increased reservoir pressure could result in releases of oil to the marine environment from historic, improperly abandoned oil wells and natural seeps. Neither Venoco nor the CSLC can monitor the reservoir's pressure without first drilling a well into the reservoir.

The CSLC will prepare an Environmental Impact Report (EIR) for the Project pursuant to the California Environmental Quality Act (CEQA) and State CEQA Guidelines. The EIR will provide information on the potential re-pressurization of the Lease PRC 421 reservoir, as well as the Lease's production history, spill history, existing and proposed infrastructure, and repairs to Project facilities. The CSLC staff suspended preparation of a prior EIR for the Project due to major changes to Project details that have occurred since staff released a Draft EIR for review in 2007 (State Clearinghouse No. 2005061013), including: (1) Venoco revised its Project Description in 2013; (2) Line 96 from the Ellwood Onshore Facility (EOF) to Las Flores Canyon is now operating; (3) Venoco ended barging from the Ellwood Marine Terminal (EMT); (4) Venoco completed emergency repairs to the Pier 421-2 caisson; and (5) Project alternatives and cumulative projects have changed. The CSLC staff determined that these changes necessitated the preparation of a new Project EIR.

1.1 Project Components

As currently proposed by Venoco, resumption of production has several components:

- Reactivation of oil well 421-2 on Pier 421-2, piping of oil production to the EOF for processing, and decommissioning of Pier 421-1 (currently, Wells 421-1 and 421-2 are both shut-in and equipped with subsurface safety valves and packers);
- Installation of new, or modifications to existing, pipelines and power cables; and
- Minor modifications to the EOF and other upgrades as described below.

Table 1-1. Ellwood Area Oil & Gas Facilities and Relationship to Proposed Project

Facility	Location	Role in Ellwood Area Production	Relationship to Lease PRC 421
Ellwood Onshore Facility (EOF)	City of Goleta, 7979 Hollister Ave., 0.5 miles northwest of Lease PRC 421 (4.5 acres)	The EOF processes oil/water emulsion received from Platform Holly using a crude-oil processing system to remove water and gas from the emulsion by preheating in heat exchangers then introducing the emulsion into one of two heater treaters. Gas is sweetened through removal of H ₂ S. After treatment at the EOF, oil and treated gas are transmitted via Line 96 to the Plains Pipeline, L.P. (PPLP) Coastal Pipeline at Las Flores Canyon (LFC), then transported through the PPLP Coastal Pipeline to refineries. Produced water is injected into well WD-1.	As proposed, Venoco would use the EOF to process oil produced from Lease PRC 421 (an alternative that would process the oil on Pier 421-2 will be analyzed in the EIR). Produced water from PRC 421 would be injected into well WD-1. Section 1.1.4 below provides more details of the EOF modifications.
Line 96	City of Goleta and unincorporated Santa Barbara County	The Line 96 Modification Project, approved by the County and City of Goleta in 2011, is in operation; the 6-inch-diameter pipeline delivers oil and treated gas from the EOF approximately 8.5 miles to an interconnection with the PPLP Coastal Pipeline at LFC.	Line 96 would be used to transport the proposed Lease PRC 421 production from the EOF to the PPLP Coastal Pipeline at LFC.
Ellwood Marine Terminal (EMT)	Unincorporated Santa Barbara County, south and east of Goleta, less than 1 mile west of Coal Oil Point.	The EMT was previously used to transport both production from Platform Holly and historic Lease PRC 421 production. Barging has now ceased and Venoco recently applied to the County to decommission the on- and offshore facilities (2013).	No role in the proposed Project.
Platform Holly	Offshore on State Lease PRC 3242, in the Santa Barbara Channel, about 1.9 miles southwest of Coal Oil Point.	Platform Holly produces oil and gas from offshore wells. Subsea pipelines transport oil/water emulsion and produced gas to the EOF for processing.	The platform has no direct role in the proposed Project. Oil produced from PRC 421 would commingle with oil from Platform Holly within the EOF and then be sent through Line 96 to LFC.

1.1.1 Pier 421-2

Well 421-2 would be returned to service as an oil production well. For the well to function safely, a number of upgrades would be made, including the following.

- Production of Well 421-2 would require installation of a new downhole electric submersible pump (ESP). Venoco also proposes to locate three stainless steel electrical equipment enclosures at the wellhead: one to house the gross production meter; another to house a wellhead safety control panel (including high/low pressure pilots, hydraulic reservoir, and other necessary equipment); and a third to house the utility power transformer and electronics associated with the metering and communication of safety signals (including an auxiliary stop switch to be used by well servicing personnel and a tamper switch to alert staff at the EOF of vandalism). The size of the meter box is expected to be roughly 40 cubic feet; the wellhead safety control panel and third electrical box are each expected to measure 36 cubic feet. In addition, a surveillance camera would be mounted on Pier 421-2 to monitor the piers. The live video feed would be displayed in the EOF control room.
- New wood-plank decking and replacement handrails would be installed around the perimeter of the deck for safety and aesthetic purposes.
- Because the seaward facing wall of the caisson of Pier 421-2 was repaired under emergency permits in 2011, no additional improvements to the pier or caisson are being proposed as part of the Project.

1.1.2 Pier 421-1

Well 421-1 was historically used as a water and gas injection well during past production of PRC 421. Since the proposed Project includes the separation of water and gas occurring within the EOF, no facilities would be required on Pier 421-1 and the pier would be decommissioned. Decommissioning would include complete removal of the existing pier structure and shut-in well, site cleanup including soil remediation, and restoration of the beach and seawall supporting the existing access road to Pier 421-2.

1.1.3 Pipelines and Power Cables

Existing Pipeline Enhancement

An existing 6-inch outer-diameter pipeline currently connects Lease PRC 421 to Line 96. The line extends from the PRC 421 piers along a Venoco right-of-way (ROW) approximately 1,300 feet along the old seawall to a point just south of the 12th tee of the Sandpiper Golf Course, turns north into the Platform Holly pipeline ROW, and extends another 500 feet to the edge of the EOF (Figure 1-1). The pipeline connects to the Line 96 pipeline at a valve box located on an easement granted to Venoco from Sandpiper Golf Course that lies just outside the limits of the EOF parcel, south of the heliport.

The current condition of the 6-inch pipeline is uncertain. The pipeline is wrapped and cathodically protected against external corrosion. After the 6-inch pipeline leaked in

1994, the pipeline was repaired and hydrotested; however, the pipeline has not been used since the 1994 shut-in. The existing 6-inch pipeline would be hydrotested to 100 pounds per square inch (psi) and internally lined with a new plastic coating. The 6-inch pipe would be protected against external corrosion by enhancing the impressed current cathodic protection system on the Platform Holly pipelines to include the Lease PRC 421 6-inch shipping line.

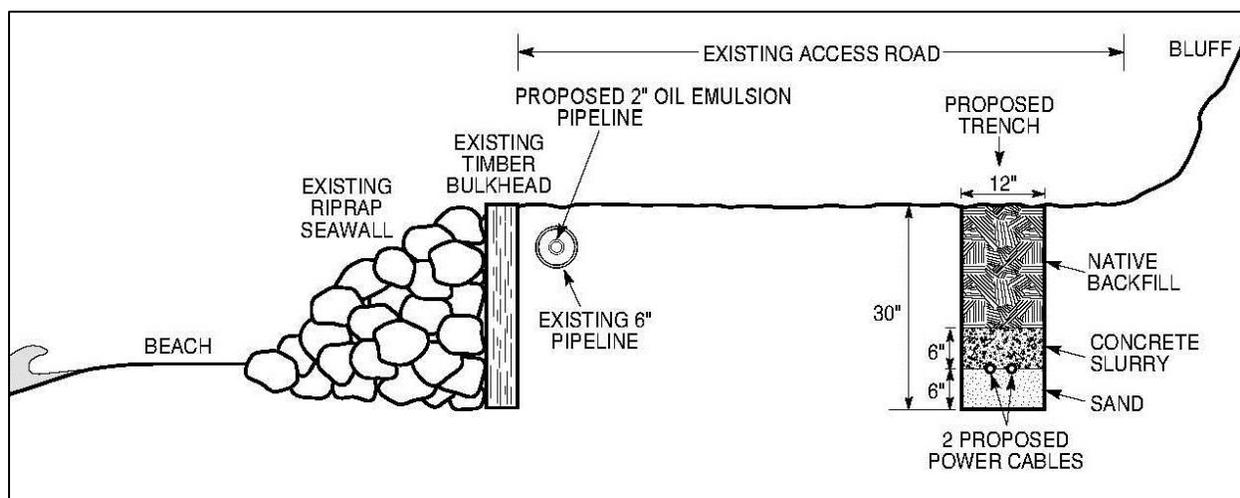
Proposed Pipeline

- Installation and operation of a single new 2-inch pipeline and upgrades to the existing 6-inch pipeline to convey oil and water emulsion to the EOF for separation. This would require redirecting the pipeline connection from the Line 96 valve box near the heliport and install a new pipeline to a new meter in the EOF (approximately 200 feet of new pipeline).

Electric Cables

Electricity would be provided to Pier 421-2 via two cables buried within a 30-inch-deep, 12-inch-wide, 2,500-foot-long trench located within the easement through Sandpiper Golf Course and down the dirt access road (Figure 1-2). The ESP at Well 421-2 would receive power through a buried and armored 200-kilovolt ampere (KVA) power cable with 1,100 volts of alternating current (VAC). In addition, a smaller 480 VAC cable would be installed to provide electrical power for metering, well instrumentation, and control systems. A utility power receptacle and an integral communication cable for data transfer would also be installed. The delivery voltage of the utility power would be 480 volts (V), and a small step-down transformer would be installed in the Well 421-2 electrical panel to drop the voltage down to 120V. The utility power outlet would be located inside of the power panel, and would be a heavy duty, 20 ampere "Arktite" type of plug receptacle.

Figure 1-2. Existing Access Road and Proposed Pipeline-Power Cable Corridor



1.1.4 Modifications at the EOF

The proposed Project would include processing of oil from Lease PRC 421 at the EOF. The Project would require the following modifications at the EOF:

- Installation of an electrical motor control panel, transformer, and power cable connections at the EOF. The power cable connections would occur within existing conduits within the EOF. The electrical motor control panel will use the existing Remote Monitoring System in the EOF control room and the EOF control room would be used to display the live video feed from the security surveillance camera mounted on Pier 421-2. The transformer would be installed on a small (approximately 2 feet by 4 feet) equipment foundation that would be located at the southeast corner and adjacent to the existing electrical switchgear building within the EOF. Two new electrical conduits would run through the electrical switchgear building.
- Installation of an enclosed meter (5 feet by 2 feet) located within the EOF at the existing pig launchers in the south part of the plant. Once through the meter, oil would tie-in at the pig launchers and commingle with Platform Holly oil and processed through the plant before it is transported through Line 96.

1.2 Construction Procedures

The EIR will provide specific construction details of the Project including construction schedules, staging and site access, construction on the caissons, installation details for the pipelines and power cable, installation details of equipment within the EOF, and decommissioning details of Pier 421-1. A majority of this work will occur within the jurisdiction of the City of Goleta.

1.3 Operation, Maintenance, and Safety Controls

1.3.1 Wells 421-2 & 421-1

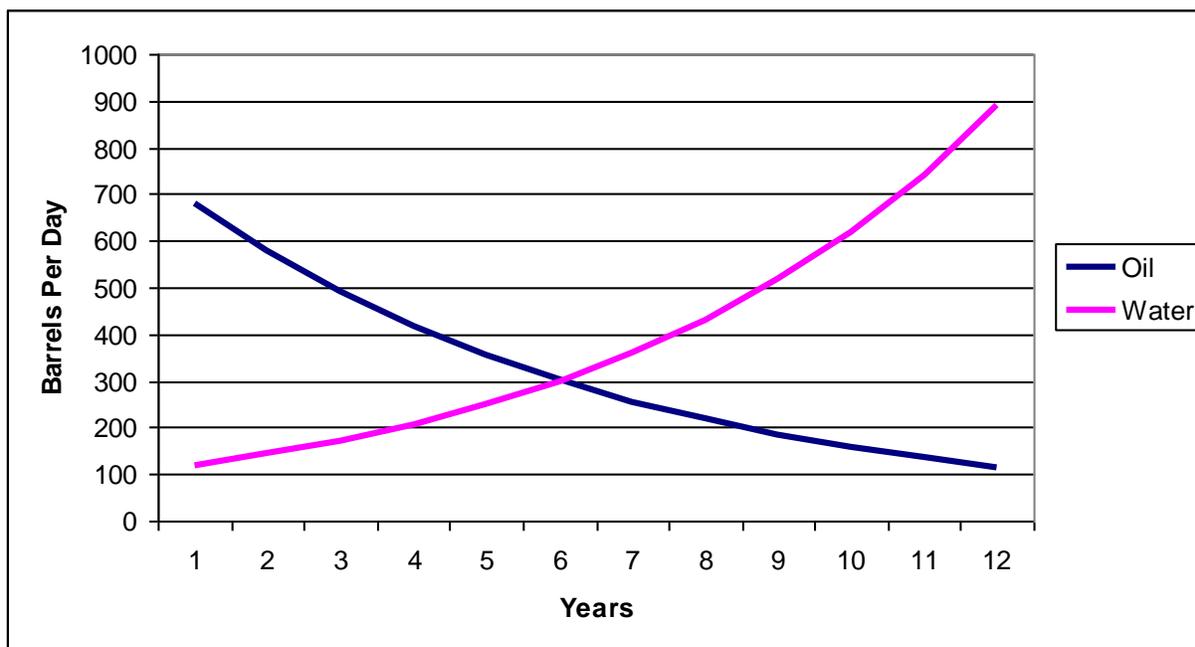
Operational Procedures, Volumes, and Throughput

The EOF is already equipped with the oil-water separation, treatment, and discharge of produced water systems necessary to treat oil produced from Pier 421-2. Oil would be sent to LFC via the new Line 96 Pipeline, and separated water would be discharged into the well that the EOF currently uses for disposal of Platform Holly's produced water (WD-1). Although existing EOF throughput levels would increase, no substantial physical modifications of existing systems at the EOF would be necessary beyond the control system improvements as described above. The increased throughput levels are projected to remain below the operating level currently allowed under Permit 07904 from the Santa Barbara County Air Pollution Control District.

Venoco has estimated that based on current projections, the productive life of Well 421-2 would be approximately 12 years. The gas production rate, which was too small to measure during tests of Well 421-2 in 2001-02, is not expected to exceed 70,000 cubic feet per day. Figure 1-3 shows that production is expected to average no more

than 700 BOPD in the first year (although maximum daily production could reach 1,000 BOPD) and taper off to approximately 100 BOPD by the last year of production, at which point Venoco estimates that water production would increase to nearly 900 BOPD making the Project economically infeasible.³ However, the price of oil may dictate that the Project would continue to be economically feasible beyond the Applicant's expectation. During the final years of previous production from Lease PRC 421, in the late 1980s/early 1990s, the average production rate was between 50 and 60 BOPD. Therefore, while Venoco has proposed that this Project would have a productive life of 12 years, historic data suggest that production could continue beyond that time.

Figure 1-3. Projected Average Production from Lease PRC 421



Maintenance and Safety Systems

The Project includes many levels of equipment requirements, testing, maintenance, and safety measures to prevent accidental releases to the coastal environment. The main safety monitoring system for Lease PRC 421 would be located at the EOF and would include monitors at 421-2. In addition to the monitoring system, other safety measures are included in all aspects of the Project from pipelines to the drilling rig. The Project will include inspection and security programs, oil spill response capabilities, fire prevention and preparedness plans, and re-pressurization monitoring. Safety and maintenance measures associated with the Line 96 pipeline would be used during transportation of Lease PRC 421 oil to the PPLP Coastal Pipeline.

³ Water breakthrough is expected to occur shortly after the start of continuous production; the water cut is expected to increase during the production life of the well until the well is no longer economically viable to produce.

Future Plans and Abandonment of Lease PRC 421

CSLC lease conditions require Venoco to decommission all facilities associated with Lease PRC 421 at the end of the production life and restore the area to its natural condition. Since water and gas disposal would occur from the EOF and not on Pier 421-1, the decommissioning of Pier 421-1 would occur as part of the proposed Project (see Section 1.1.2 above). The future decommissioning of Pier 421-2 would be subject to appropriate local, State, and Federal regulations that are in effect at the time of abandonment, and specifics on decommissioning and hazardous materials investigations would be addressed in an Abandonment and Restoration Plan submitted to the CSLC, CCC, and City of Goleta. Additional environmental review would occur prior to decommissioning.

Future decommissioning of Pier 421-2 would include complete removal of the pier and all associated facilities, including wells, production equipment, the ESP, and electrical equipment. Project decommissioning may also involve removal of the seawall, beachside access road, pipelines and power cables within the access road, and the transformer and electrical lines connecting Lease PRC 421 to the EOF, and the potential abandonment in place of the 1,800 feet of 6-inch pipeline connecting Lease PRC 421 to the EOF. Site cleanup including soil remediation would also be required as several hydrocarbon leaks are known to have occurred in 1994, 2000, and 2001, and hydrocarbon contamination has been identified at the pier approach area of Pier 421-2.

1.3.2 Line 96

Throughput and Capacity

The newly operated Line 96 Pipeline to LFC will carry the entire throughput that had previously passed through the EMT. In the first year, the Project would contribute a maximum of 1,000 BOPD from Lease PRC 421 to the EOF where it would commingle with Platform Holly oil production before transported through the Line 96 pipeline. PRC 421 production would taper off after the first year as projected in Figure 1-3 above.

Operation of Line 96 Pipeline Extension

The new Line 96 pipeline was constructed in 2011 and began operation in early 2012. Oil produced from Lease PRC 421 would flow with Platform Holly oil to the PPLP Coastal Pipeline at LFC until Lease PRC 421 production stops, which is estimated to be in 2025. Line 96 would operate until Platform Holly oil production ended, which is estimated to be in 2040.

The Line 96 oil pipeline is owned and operated by Ellwood Pipeline, Inc., a subsidiary of Venoco. Oversight, management, and routine maintenance of the pipeline would be undertaken by current staff and contractors of Ellwood Pipeline, Inc. who were associated with the now abandoned Line 96 pipeline to the EMT.

No oil storage facilities are available at the PPLP Coastal Pipeline location for any oil transported through the Line 96 pipeline. If, for any reason, the PPLP Coastal Pipeline

system downstream of the EOF were not operating, the available working level in the two 2,000-barrel (bbl) tanks at the EOF would dictate how long the Applicant could operate before diverting or curtailing production from Platform Holly and PRC 421. Any interruption in the operation of the Line 96 pipeline or the PPLP Coastal Pipeline would require Venoco to interrupt production at Lease PRC 421, as well as Platform Holly, until the pipelines become available again.

The Line 96 pipeline will be monitored and operated from Venoco’s EOF and could be remotely monitored and shutdown from the PPLP central control facility in Houston. Both of these facilities provide for continuous monitoring 24 hours per day. No additional positions to the existing EOF staff will be required as a result of the Project.

2.0 RESPONSIBLE AND COORDINATING AGENCIES/PERMITTING

In addition to action by the CSLC, the Project may also require permits and approvals from other reviewing authorities and regulatory agencies that may have oversight over aspects of Project activities, including but not limited to the following.

Local & Regional	City of Goleta Santa Barbara County Air Pollution Control District (SBCAPCD)
State	California Coastal Commission (CCC) California Department of Wildlife (CDFW) California Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR) California Central Coast Regional Water Quality Control Board (RWQCB)
Federal	U.S. Army Corps of Engineers (USACE)

A Development Plan application will be required from the City of Goleta for those portions of the project that involve onshore facilities above the Mean High Tide line, including the pier, access road, pipelines, interconnection with Line 96, and EOF. A revised Development Plan may also be required for Line 96 throughput increase (Case No. 06-037-DP).

3.0 SCOPE OF THE EIR

Pursuant to State CEQA Guidelines section 15060, the CSLC staff conducted a preliminary review of the proposed Project and determined that an EIR was necessary based on the potential for significant impacts resulting from the proposed Project. A preliminary list of environmental issues and alternatives to be discussed in the EIR is provided below. Additional issues and/or alternatives may be identified at the public scoping meeting, and in written comments, as part of the EIR process. The CSLC invites comments and suggestions on the scope and content of the environmental analysis, including the significant environmental issues, reasonable range of alternatives, and mitigation measures that should be included in the EIR.

The CSLC uses the following designations when examining the potential for impacts according to CEQA issue areas.

Potentially Significant Impact	Any impact that could be significant, and for which feasible mitigation must be identified and implemented. If any potentially significant impacts are identified but cannot be mitigated to a less than significant level, the impact would be <i>significant and unavoidable</i> ; if any potentially significant impacts are identified for which feasible, enforceable mitigation measures are developed and imposed to reduce said impacts to below applicable significance thresholds, the impact would be <i>less than significant with mitigation</i> .
Less Than Significant Impact	Any impact that would not be considered significant under CEQA relative to the applicable significance threshold, and therefore would not require mitigation.
No Impact	The Project would not result in any impact to the resource area considered.
Beneficial Impact	The Project would provide an improvement to an issue area in comparison to the baseline information.

The estimations of impact levels used for this NOP are based solely on previous documents and do not preclude findings of significance that would be made during the preparation of the EIR, including findings that could change the significance of an impact and how it would need to be addressed within the EIR. The EIR will provide specific significance thresholds within each issue area for the environmental analyses.

3.1 EIR Alternatives Analysis

In addition to analyzing the potential impacts associated with the proposed Project, in accordance with the State CEQA Guidelines, an EIR must:

...describe a range of reasonable alternatives to the project, or to the location of the project, which would feasibly attain most of the basic objectives of the project, but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives (§ 15126.6).

The State CEQA Guidelines also require that the EIR evaluate a “no project” alternative and, under specific circumstances, designate an environmentally superior alternative from among the remaining alternatives. Alternatives will be identified as a result of the environmental analysis and on information received during scoping. The EIR will:

- provide the basis for selecting alternatives that are feasible and that would reduce significant impacts associated with the proposed Project;
- provide a detailed explanation of why any alternatives were rejected from further analysis; and
- evaluate a reasonable range of alternatives including the “no project” alternative.

The 2007 Draft EIR provided several alternatives that were considered infeasible or had no greater environmental benefits over the proposed Project or other alternatives and were eliminated from full evaluation. These alternatives included the following:

- Drilling from the EOF
- Drilling from Platform Holly
- Condensed Production Schedule
- Offshore Oil Processing on Platform Holly
- Transportation of Production By Truck
- No Project Alternative with Pressure Testing
- Recommissioning Using Historic Production Methods Alternative

The EIR will re-evaluate the feasibility of the alternatives identified above. In addition, alternatives to be evaluated in the EIR include the following.

- **Oil Processing on Pier 421-2 Alternative.** Under this alternative, Venoco would need to install a new Gas-Liquid Cyclone Separator (GLCS) at Pier 421-2 to separate produced gas and water from oil. There was no detectable gas production when Well 421-2 produced in 2001 for a short-term period to conduct emergency depressurization. However, the GLCS is designed based on typical properties for California oils at the well depth, for which the gas-oil ratio is estimated to be 100 standard cubic feet per stock tank barrel (SCF/STB). The GLCS is a compact vertical vessel with a tangential nozzle located near the top that subjects incoming fluids to a hydraulically created vortex and centrifugal forces, causing the heavier liquid particles to separate and thus obtaining split liquid and gas streams. The well on Pier 421-1 would be returned to service as a water and gas injection well using existing injection equipment to reinject and dispose of water and gas that are separated from the gross fluid produced out of Well 421-2. The new ESP in Well 421-2 would provide enough pressure to inject up to 1,000 BWPD into Well 421-1. To prevent reverse flow from the well, Venoco would need to install a flow safety valve (FSV) as part of the wellhead piping. New wood-plank decking would be installed for safety and aesthetic purposes. Oil Production from PRC 421-2 would be directly transported into Line 96 at a tie-in point just outside of the EOF.
- **Re-injection at Platform Holly Alternative.** Under this Alternative, production would resume at Lease PRC 421 as described above under the Oil Processing on Pier 421-2 Alternative; however, produced water and gas would be sent to Platform Holly, via the EOF, for re-injection, and Pier 421-1 would be decommissioned and removed on an accelerated schedule.
- **No Project Alternative.** Under the No Project Alternative, the Lease PRC 421 wells would remain shut-in and production would not take place at Lease PRC 421 from the surf-zone facilities. Given current conditions—Lease PRC 421 is shut-in and all other wells that once tapped the reservoir are abandoned—there is no active well penetrating the reservoir to insert and operate pressure-testing

equipment; consequently, there is no mechanism to conduct pressure testing of the reservoir to determine the extent of possible pressure build-up. If the wells remain shut-in with the No Project Alternative and a release of oil occurred in the vicinity of Lease PRC 421, oil spill response would occur once the release was reported and an investigation by the State would commence to find the cause. The determination of the cause would occur at the time of a spill and would depend on the facts involved with such an incident. As noted above, possibilities in the event of a release may include oil coming from a leak from an old, improperly abandoned well or from a natural seep as a result of naturally occurring re-pressurization; therefore, it is difficult to monitor such possibilities.

3.2 Currently Identified Potential Environmental Impacts

Based on initial internal scoping, the Project is not anticipated to affect the following environmental factors identified in State CEQA Guidelines Appendix G (Environmental Checklist Form), which could therefore be eliminated from consideration in the EIR.

- Agriculture and Forestry Resources
- Population and Housing

The following provides information on the currently identified issues that may have potentially significant environmental effects.

3.2.1 Geological Resources

The EIR will evaluate the potential geologic hazards that could result in impacts to people or structures over the Project's approximate 12-year production horizon. The geologic impacts of the Project would be confined primarily to the Project study area and would be associated with seismic hazards; seismically induced hazards including earthquakes, ground shaking, slope failure and landslides, and tsunamis; and coastal-process-related hazards including erosion and coastal bluff instability. Potential geologic impacts associated with the Line 96 pipeline (e.g., seismically related potential for pipeline rupture) within the secondary study area were fully addressed and considered as part of the certified Line 96 Modification Project EIR (Santa Barbara County 2011) and will be incorporated by reference.

3.2.2 Safety

The EIR will address potential upset conditions during Project construction and operation that could result in release of oil or hazardous materials, fire, explosion or other conditions that could be hazardous to the public and environment. A quantitative risk assessment (QRA) that has been conducted for certain Ellwood area facilities will be incorporated in the EIR both as background for issues affecting the proposed Project and for use in assessing the risk associated with certain Project alternatives. Detailed analyses of impacts of upset conditions on specific resources will be addressed in their respective sections (e.g., Marine Biological Resources). Potential safety effects of the Project and alternatives will be based on a change from existing conditions.

3.2.3 Hazardous Materials

The EIR will address the handling, storage, and disposal of hazardous materials and the potential for the Project to release hazardous materials (e.g., petroleum products, solvents, pesticides, herbicides, paints, metals, asbestos, and otherwise regulated chemical materials) that could result from the construction and operation of primary Project components, including decommissioning of Pier 421-1. This analysis will also briefly discuss area resources that could be affected by the operation of secondary Project components (existing and approved facilities not proposed for modification) such as the operation of the Line 96 pipeline, particularly as related to accidental oil release. Other sections of the EIR (e.g., Safety and Hydrology, Water Resources, and Water Quality) will analyze the potential for upset conditions that could result in a release of oil and hazardous materials and potential impacts resulting from releases of oil-related materials, such as contaminated sediment or a crude oil spill.

3.2.4 Air Quality

The EIR will summarize the local climate and current air quality conditions in the Project vicinity, as well as the regulatory setting related to air quality in the Project area. Air quality impacts associated with the Project, Project alternatives and cumulative impacts will also be discussed. The analysis of air quality impacts will follow guidance provided by the SBCAPCD Scope and Content of Air Quality Sections in Environmental Documents (October 2006) and the State CEQA Guidelines. Air quality impacts associated with recommissioning Lease PRC 421 are expected as a result of Project construction and operation. Construction emissions would include particulate and combustion emissions associated with grading and trenching for the purpose of placing a new 2-inch pipeline, repairing an existing 6-inch line, installation of new power cables, combustion emissions from travel on access roads, and operation of the drill rig during installation of the ESP. These emissions were estimated using emission factors and equipment estimates from Venoco's Recommissioning Plan for Lease PRC 421, May 2004. Emissions during Pier 421-1 removal would also be evaluated. Operational emissions from primary Project components would consist primarily of fugitive emissions from valves, pressure relief devices on the separators, piping components, well heads, and well cellars; secondary operational emissions would consist primarily of fugitive emissions related to pipeline transport. The EIR will also analyze the Project's impact on greenhouse gases (GHGs) and climate change.

3.2.5 Hydrology, Water Resources, and Water Quality

The EIR will address potential impacts on marine and freshwater hydrology, water resources, and water quality resulting from recommissioning Lease PRC 421. The environmental setting focuses on the most relevant characteristics of existing marine and onshore water resources in the Project vicinity. Issues such as offshore currents, wave action and marine and freshwater quality are important in understanding the effects of a possible accidental release of oil or other hazardous materials on these resources. The impact analysis will evaluate the potential effects of the Project and alternatives, including cumulative impacts, and identify potential mitigation measures.

This section will not address water use as the Project would only have one-time limited fresh water use for pipeline flushing. This section will rely on information from various agencies including Santa Barbara County, RWQCB, National Oceanic and the Atmospheric Administration (NOAA), and Scripps Institute of Oceanography.

Erosion and sedimentation from short-term construction activities, which would last for approximately 45 days, include trenching, replacement, and repair of the 6-inch pipeline beneath the existing access road, and could adversely affect water quality in Bell Canyon Creek. However, impacts would be reduced through the employment of standard erosion and sediment control BMPs which would be outlined in the Erosion and Sediment Control Plan, required by the City of Goleta Grading Ordinance, including watering of disturbed soils, silt fences, and temporary sediment barriers. In addition, Venoco would be required to develop a Storm Water Pollution Prevention Plan for construction activities and obtain a General Construction Permit from the RWQCB to prevent contaminated runoff from the construction site, which could contain trace metals or small amounts of petroleum hydrocarbons, from entering Bell Canyon Creek.

3.2.6 Biological Resources: Marine and Terrestrial

The EIR will describe the marine resources in the Project vicinity and the potential impacts the Project could have on those resources. The Environmental Setting section will describe marine resources in the Southern California Bight because a large oil spill could have wide-ranging environmental effects throughout Southern California waters, and not just in the Santa Barbara Channel. The section will also describe the specific marine resources found in the immediate Project area because those resources would be the most vulnerable to impacts from the Project. Operational impacts would be limited to accidents including an oil spill.

The terrestrial biological resources section will describe local habitats, communities, and sensitive species in the Project vicinity and evaluate the impacts that implementation of the Project or Project alternatives may have on these resources. The analysis will focus on terrestrial biological resources that could be affected by construction and operation of Project components, including operation of Well 421-2 and the decommissioning of Pier 421-1.

3.2.7 Land Use, Planning, and Recreation

The EIR will provide details on existing land use, planning, and recreation conditions in the Project vicinity, outline applicable land use plans and policies, and will summarize potential land use, planning, or recreation impacts associated with the Project. Information in this section will be primarily based on the: City of Goleta General Plan/Coastal Land Use Plan (GP/CLUP) Land Use, Open Space, and Conservation Elements; City of Goleta Coastal Zoning Ordinance; City of Goleta GP/CLUP EIR; and Santa Barbara County Comprehensive and Coastal Plans.

Project construction could create short-term (3 to 6 months) episodic impacts to public recreation due to disruption of ongoing recreational activities. The project contains

BMPs such as roping off construction areas, directing beach users around the site, and removal of equipment from the beach to minimize impacts to recreation activities during construction and pier removal. Impacts would occur if oil spilled during Project operations, which would conflict with several policies of the Goleta GP/CLUP and California Coastal Act. Recreational impacts from accidental oil releases could preclude the use of beach areas and associated activities. The degree of impact is influenced by many factors including, but not limited to, spill location, spill size, type of material spilled, prevailing wind and current conditions, the vulnerability and sensitivity of the resource, and response capability.

3.2.8 Public Services

The EIR will characterize fire protection and emergency response associated with the Project, including Venoco's existing fire protection and emergency response systems and the ability of locally provided and funded fire protection and emergency response services, such as the Santa Barbara County Fire Department and County Office of Emergency Services, to respond to incidents at Lease PRC 421.

3.2.9 Transportation and Circulation

The EIR will describe both onshore and offshore transportation systems in the Project vicinity and the impacts of the Project and alternatives on roadway transportation and circulation. The analysis will focus on area roadways most likely to be affected by construction and operation of Project components, and transportation of oil via onshore pipeline. There is currently little to no regular traffic associated with Lease PRC 421, as it is currently not under production. Existing traffic is limited to daily security patrols, which also provide security to the EOF. Future traffic generation associated with Project implementation would consist of construction- and operation-related traffic.

3.2.10 Noise

The EIR will describe the noise environment in the Project vicinity, and potential impacts to the noise environment associated with Project implementation. A noise impact would be considered significant if noise levels from Project operations exceeded local policies and noise standards.

3.2.11 Aesthetic/Visual Resources

The EIR will describe the onshore and offshore visual environments from a local (Ellwood area) and regional context and address the potential for the Project to cause significant impacts on visual resources in the Project vicinity. Potential impacts to visual resources created by the Project and Project alternatives will be based on a change from existing conditions. Impacts to aesthetics and visual resources will be determined by identifying the visual sensitivity and visual character of the environment. Visual impacts will then be evaluated in the context of the character of these views.

3.2.12 Cultural, Historical, and Paleontological Resources

The EIR will identify cultural, historical, and paleontological resources in the Project area, including Lease PRC 421 itself, and will evaluate impacts to such resources that would potentially result from the development of the Project. Impacts to cultural resources can occur by direct or indirect impacts. Direct impacts result from ground disturbances directly and indirectly caused by facility operation or maintenance. Indirect impacts result from increased access to archaeological sites (e.g., construction employees participating in unauthorized artifact collecting). Most Project construction would take place on artificial fill along the seawall access road, on previously graded and developed areas and on existing piers.

3.2.13 Energy and Mineral Resources

The EIR will describe energy and mineral resources such as natural gas, oil, and sand and gravel in the Project vicinity and will evaluate the impacts that the Project and its alternatives may have on these resources. The analysis will focus upon area energy and mineral resources that could be affected by the construction and operation of Project components, including the construction and operation of Well 421-2.

3.3 Special Impact Areas

3.3.1 Cumulative Impacts

The State CEQA Guidelines require an EIR to discuss the cumulative impacts of a project when the project's incremental effect is "cumulatively considerable" (§ 15130). A cumulative impact is created through a combination of the project being analyzed in an EIR and other projects in the area causing related impacts. The EIR will:

- define the geographic scope of the area affected by cumulative effects ("Cumulative Projects Study Area"), which for the Project is presently defined as the vicinity of Lease PRC 421 and offshore marine waters of the eastern portion of the Santa Barbara Channel;
- discuss the cumulative impacts of the Project, in conjunction with other approved and reasonably foreseeable projects in the study area; and
- identify, if appropriate, feasible measures to mitigate or avoid the Project's contribution to cumulative effects.

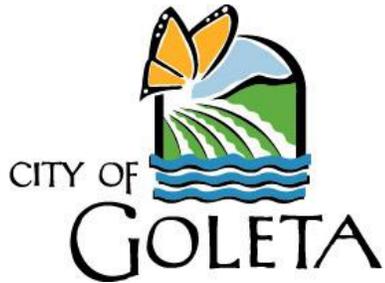
3.3.2 Growth-Inducing Impacts

CEQA requires a discussion of the ways in which a proposed project could foster economic or population growth, including the construction of additional housing, in the project's vicinity. Under State CEQA Guidelines section 15126.2, subdivision (d), a project is growth-inducing if it fosters or removes obstacles to economic or population growth, provides new employment, extends access or services, taxes existing services, or causes development elsewhere. The EIR will contain a discussion of the potential growth-inducing impacts of the proposed Project.

3.3.3 Socioeconomics and Environmental Justice

The CSLC adopted an Environmental Justice Policy in 2002 to ensure equity and fairness in its own processes and procedures (see www.sl.c.ca.gov, under the “Information” tab and “Policy Statements” link). This Policy stresses equitable treatment of all members of the public and commits to consider environmental justice in the CSLC’s processes, decisions and programs. The policy is implemented, in part, through identification of, and communication with, relevant populations that could be adversely and disproportionately impacted by CSLC projects or programs, and by ensuring that a range of reasonable alternatives is identified that would minimize or eliminate environmental impacts affecting such populations.

The Environmental Justice section of the EIR will assess the Project’s consistency with the CSLC’s Environmental Justice Policy, and analyze the distributional patterns of high-minority and low-income populations on a regional basis. The consistency analysis will focus on whether the Project would have the potential to affect area(s) of high-minority population(s) and low-income communities disproportionately.



April 29, 2013

SENT VIA EMAIL

CITY COUNCIL

Roger S. Aceves
Mayor

Michael T. Bennett
Mayor Pro Tempore

Edward Easton
Councilmember

Jim Farr
Councilmember

Paula Perotte
Councilmember

CITY MANAGER
Daniel Singer

Eric Gilles, Assistant Chief
Division of Environmental Planning and Management
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202

RE: Revised PRC 421 Recommissioning Project (City Case 07-131)
NOP Comments

Dear Mr. Gilles:

The Venoco, Inc. (the applicant) PRC 421 Recommissioning Project (Project) is located within the jurisdiction of the California State Lands Commission (CSLC) and the City of Goleta (City) and generally includes the resumption of oil production at the offshore Oil and Gas Lease PRC 421 and processing at the Ellwood Onshore Facility (EOF). Resumption of production has several components such as reactivating existing wells Pier 421-2 and decommissioning of Pier 421-1, installation of new, or modified pipelines and power cables, and other upgrades.

The City and CSLC and other regulatory agencies determined and agreed, pursuant to a Memorandum of Understanding, that the CSLC is acting as the Lead Agency for the Project pursuant to the California Environmental Quality Act and the City is a Responsible Agency for the purpose of the Environmental Impact Report (EIR). The EIR is intended to be the environmental analysis required for issuance of any possible Project permits by the CSLC and Responsible Agencies, most notably the City.

In 2007, CSLC released a Draft EIR for the Project that was circulated for public review. As a result of major changes to Project details that have occurred since the release of the Draft EIR (State Clearinghouse No. 2005061013), CSLC staff suspended work. Venoco recently submitted a revised Project application to the CSLC. The CSLC staff, in consultation with other agencies, including but not limited to the City of Goleta staff, determined that these changes necessitated the preparation of a new Notice of Preparation (NOP)

and EIR for the Project.

Based on our review of the NOP, the City provides the following comments to be included and/or addressed in the Draft EIR:

1) Figure 1-1 (Page 4 of 20)

- a. Please include the City, CSLC, and California Coastal Commission jurisdictional boundaries on this figure in the Draft EIR.

1-1

2) 1.0 Physical Description of Proposed Project (Page 5 of 20)

- a. Please clarify in the project description and throughout the Draft EIR, the portions of the project which are in each discrete jurisdiction (CSLC and City). Ideally, the EIR would be organized in such a way that the reader can clearly and succinctly identify the portion of the Project within the City. As a reminder, the City's Planning Commission will ultimately be considering the portion of the Project within the City and will be relying on a clearly identified and adequately described environmental setting, impacts, and mitigations from which they will be basing their related discretionary actions.

1-2

3) Table 1-1 (Page 6 of 20)– Line 96 and Relationship to Lease PRC 421 (Page 6 of 20)

- a. For EOF and Line 96 Facilities, the description under "Role in Ellwood Area Production" should be corrected as discussed below:

EOF: After the treatment at the Ellwood Onshore Facility (EOF), the oil is transmitted via Line 96 to the Plains Pipeline L.P. (PPLP) Coastal Pipeline at Las Flores Canyon (LFC), and then transported through the PPLP Coastal Pipeline to refineries. [Suggested Additional Text]: *The treated Gas is transmitted through a 6" Sales Gas Pipeline to the Gas Company's transmission line at the Odorant Station about half a mile east of EOF.*

1-3

Line 96: The line 96 Modification Project, approved by the County and City of Goleta in 2011, is in operation; 6-inch-diameter pipeline delivers oil from the EOF approximately 8.5 miles to an interconnection with the PPLP Coastal Pipeline at LFC. [Suggested Additional Text]: *The treated Gas is transmitted through a 6" Sales Gas Pipeline to the Gas Company's transmission line at the Odorant Station about half a mile east of EOF. Line 96 does not transport the treated gas from EOF.*

4) 1.1.3 Pipelines and Power Cables (Existing Pipeline Enhancement) (Page 7 of 20):

- a. Please clearly describe in the Draft EIR what the current pipeline is wrapped in and what material it is constructed of.

1-4

5) 1.1.2 Pier 421-1

- a. As stated in the NOP, 421-1 decommissioning is part of this project. Fully describe decommissioning activities and follow-up site restoration in the Project Description so that it can be properly analyzed in the EIR. Site plans and maps are also necessary.

1-5

6) 1.1.3 Pipelines and Power Cables (Proposed Pipelines) (Page 7 of 20)

- a. The EIR should include a description of how the two new 2-inch flowlines would be installed inside the new double-walled pipeline and whether or not the integrity of the 2-inch flowline is sufficient for this use.
- b. The Line 96 vault (not valve) box is located northwest of the EOF in a gravel access road, not south of the EOF. There may be a discrepancy with the valve box reference and we are guessing that the correct reference is the Platform Holly 6+ pipeline valve box, which is located south of the EOF. Please correct or clarify in the Project Description.
- c. Explain the relationship between the Line 96 vault box, the Holly 6+ pipeline valve box and the proposed 421 pipeline. Clearly describe where the pipelines start and stop. Include a map of these important EOF connection points. Also explain why a new meter is required at the EOF as opposed to a new meter at the Platform Holly valve box.

1-6

7) 1.2 Construction Procedures (Page 9 of 20)

- a. The EIR should clearly describe the condition of the existing access road from the EOF to the piers and the fact that environmentally sensitive coastal habitats are adjacent to the EOF and the access road. This section should state whether or not the road will require repairs as part of the Project. Staging locations should also be mapped and described.

1-7

8) 1.3.1 Wells 421-2 & 421-1 (Pages 9-11 of 20)

- a. Insert ~~%~~Modifications at the EOF and ~~+~~before ~~%~~Wells~~+~~ in the header to section 1.3.1
- b. When describing operational procedures, volumes, and throughput, please describe the location of WD-1 in relationship to PRC 421. Include a map of WD-1.
- c. Insert ~~%~~and safety monitoring systems described in the following section~~+~~after ~~%~~Although existing EOF throughput levels would increase, no substantial physical modifications of existing systems at the EOF would be necessary beyond the control system improvements as described above~~+~~.

1-8

9) 3.1 EIR Alternatives Analysis

- a. Processing at Las Flores Canyon should be evaluated as an alternative in the Draft EIR.

1-9

10) 3.2.2 Safety

- a. Please include evaluation of the 421 to EOF pipeline in the risk or upset/safety analysis. | 1-10

11) 3.2.3 Hazardous Materials

- a. In the first sentence, please insert ~~%but not limited to the+~~between the words ~~%including+~~ and ~~%decommissioning+~~. Also insert ~~%and~~ construction of new pipelines from the Pier to the EOF~~+~~at the end of the first sentence. | 1-11

12) 3.2.6 Biological Resources: Marine and Terrestrial

- a. Please change the last sentence of this section to read: ~~%The~~ analysis will focus on terrestrial biological resources that could be affected by construction and operation of Project components, including operation of Well 421-2, the decommissioning of Pier 421-1, changes to the EOF, and installation of new pipelines~~+~~. | 1-12

13) 3.2.7 Land Use, Planning, and Recreation

- a. Include the City of Goleta General Plan Safety Element in the Land Use impact analysis. | 1-13

Thank you for your attention to our comments on the NOP. If you have any questions or comments regarding the City's comments, please do not hesitate to contact me at (805) 961-7551 or Sara Iza at (805) 961-7544.

Sincerely,



Anne Wells, Advance Planning Manager
City of Goleta

Cc: Jennifer Carman, Director, Planning and Environmental Review
Sara Iza, Associate Planner, Planning and Environmental Review
Alison Dettmer, Deputy Director, California Coastal Commission

County Of Santa Barbara



Chandra L. Wallar
County Executive Officer

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805-568-3400 • Fax 805-568-3414
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Executive Office

April 29, 2013

Mr. Eric Gillies
Assistant Chief
Division of Environmental Planning and Management
California State Lands Commission
100 Howe Avenue Suite 100-South
Sacramento, CA CA 95825

E-mail: ceqacomment@slc.ca.gov

RE: Revised PRC 421 Recommissioning NOP Comments

Dear Mr. Gillies:

Thank you for the opportunity to comment on the Revised PRC 421 Recommissioning NOP Comments. At this time, the County submits comments from the Planning and Development Department.

If you should have further questions, please do not hesitate to contact my office directly or Glenn Russell, Director, Planning and Development Department, at 805-568-2085.

Sincerely,

Chandra L. Wallar
County Executive Officer

Cc: Glenn Russell, Director, Planning and Development Department

Encl: Planning and Development Department comment letter



County of Santa Barbara Planning and Development

Glenn S. Russell, Ph.D., Director
Dianne Black, Assistant Director

April 26, 2013

Mr. Eric Gillies
Assistant Chief
Division of Environmental Planning and Management
California State Lands Commission
100 Howe Avenue Suite 100-South
Sacramento, CA CA 95825

RE: Revised PRC 421 Recommissioning NOP Comments

Dear Mr. Gillies:

Thank you for the opportunity to comment on the Revised PRC 421 Recommissioning Project Notice of Preparation (NOP). The County offers the following comments:

Section 1.0, Physical Description of the Proposed Project Description

1. The anticipated project life is approximately 12 years and possibly beyond depending upon production characteristics and economics. The structural integrity of the historic Pier 421-2 over the proposed 12 years and beyond raises concerns about potential failures and environmental consequences. If not already included, the EIR should analyze the long-term structural integrity of the pier and the consequences of its failure, taking into account the reasonable worst-case scenarios of wave erosion, tsunamis, seismic events and structural failure due to age. 2-1
2. Table 1-1 indicates that produced water from PRC 421 would be injected into onshore Well WD-1. It is not clear from the analysis provided in the previous project EIR whether use of Well WD-1 as a injection well has caused, or may cause, an increase in the fields pressure. The previous project description listed Well 421-1 as the well for re-injection of produced water. The EIR should provide a robust analysis to determine if water injection at Well WD-1 is linked to any re-pressurization issues with the field including all old P&A wells that may be at risk of re-pressurization. 2-2

3. The project description summary in Table 1-1 incorrectly states that Line 96 transports both oil and treated gas from the EOF. Line 96 transports crude oil alone, with only trace amounts of produced gas entrained in the crude oil. Gas is processed at the EOF and sold to SoCal Gas at an onsite utility station. 2-3
4. Table 1-1 as a point of clarification but of no consequence to project analysis, Venoco has withdraw its application from the County for demolition and reclamation of the EMT while it works out private property matters between Venoco and the landowner, UCSB. 2-4
5. Section 1.1.2, Pier 421-1 – The project description includes pier decommissioning, including soil remediation. The EIR should include a thorough analysis of the site remediation activities and safeguards to prevent any contamination associated with the pier decommissioning from entering the ocean environment. Because of its age, the pier structures should be evaluated for a full complement of potential hazardous materials, including PCBs, metals, PAHs, BTEX and other oil-related byproducts and constituents so that the remedial design is most protective of the environment. 2-5
6. Section 1.1.3, Pipelines and Power Cables – The existing PRC 421 pipeline as connects to the original Line 96 pipeline which has been decommissioned. 2-6
7. Section 1.1.3, Pipelines and Power Cables – When the PRC 421 pipeline was placed out of service in 1994, there should be a record(s) of whether it was purged and protected with any rust inhibitors. If known, that information should be presented in the Project Description and will be beneficial in the analysis of the pipeline’s integrity. 2-7

Section 2.0, Responsible and Coordinating Agencies/Permitting

1. The project description notes that a revised City of Goleta development plan may be required for the Line 96 throughput increase. The County of Santa Barbara also has a development plan for the majority of the pipeline (DVP-00000-00017). Line 96 was permitted as a common carrier pipeline and as such, additional sources of crude oil, such as Lease PRC 421, were contemplated in permitting the pipeline. Depending upon the final project configuration, the County development plan may also have to modified, but additional environmental review is not anticipated. 2-8

Section 3.0, EIR Alternatives Analysis

1. Section 3.1, EIR Alternatives Analysis – The Oil Processing on Pier 421-2 Alternative is a reiteration of the 2007 evaluated project and offers no apparent environmental benefits over the proposed project and should not be considered. Other project alternatives will become apparent during the course of environmental analysis and should be incorporated into the EIR for discussion or further analysis. 2-9
2. Section 3.2, Currently Identified Potential Environmental Impacts – Section 3.2.3 Hazardous Materials. This section and/or the Hydrology, Water Resources, and Water 2-10

Quality Section, should include the potential for impacts to the Devereux Slough located west of the project site.

3. Section 3.2, Currently Identified Potential Environmental Impacts – Section 3.2.4, Air Quality. The section states that the emission estimates will be based on emission factors and equipment estimates provided by Venoco in its 2004 Recommissioning Plan. Please ensure that both the equipment list and emission factors are still accurate, as nine years has passed since that project description was submitted. | 2-11

4. Section 3.2, Currently Identified Potential Environmental Impacts – Section 3.2.7, Land Use, Planning and Recreation. In considering the potential impact to recreational resources by an offshore oil release, please ensure that the maximum potential release volumes, along with the most adverse ocean conditions are factored into the release model so that potential impacts to County recreational resources downstream of the operations can be accurately assessed. | 2-12

5. Section 3.2, Currently Identified Potential Environmental Impacts – Section 3.2.9, Transportation and Circulation. Please ensure that all project-related traffic routes and volumes are described that affect the unincorporated area. | 2-13

If you have any questions or comments regarding this letter, or would like to discuss these issues further, please call Kevin Drude (805) 568-2519.

Sincerely,

Glenn S. Russell, Ph.D., Director

| cc: Chron File



**COUNTY OF SANTA BARBARA
COUNTY EXECUTIVE OFFICE**

Chandra L. Wallar
County Executive
Officer

OFFICE OF EMERGENCY MANAGEMENT

Michael W. Dyer
Interim Chief of
Emergency Management

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April 29, 2013

Eric Gillies, Assistant Chief
California State Lands Commission
Division of Environmental Planning & Management
100 Howe Avenue – Suite 100 South
Sacramento, CA 95825

Re: Notice of Preparation of a Draft Environmental Impact Report and Notice of Public Scoping Meeting

Dear Mr. Gillies:

Venoco Inc. has applied to the CSLC to implement the Revised PRC 421 Recommissioning (Project) with the objective to return Oil and Gas Lease to full oil production. Your office is currently reviewing the proposed project as lead agency for CEQA in preparation for an Environmental Impact Report (EIR) to identify and address significant environmental issues, reasonable range of alternatives, and mitigation measure that should be included in the EIR.

The Public Scoping Process has been initiated to solicit public comment. This is an open process used for identifying significant environmental issues related to the proposed project. This process also allows an opportunity to identify appropriate mitigation measures and alternatives to the proposed project. With the potential of either an offshore or onshore incident at this location impacting Santa Barbara County, our office would like to submit the following comments.

3-1

The EIR should identify and assess onshore as well as offshore concerns. These would include any potential impacts from onshore pipelines and the facility, both existing and proposed modifications. The Draft states that the proposed project would share infrastructure used by other existing Ellwood area facilities and an existing 6-inch outer-diameter pipeline which currently connects Lease PRC 421 to Line 96. The current condition of the line is uncertain but the line is wrapped and cathodically protected against external corrosion.

3-2

According to the US Department of Transportation (DOT), National Pipeline Mapping System (NPMS) Pipeline and Hazardous Materials Safety Administration (PHMSA), PRC 421, the pipelines and onshore facility are identified as being located in a High Consequence Area and Unusually Sensitive Area (USAs) which means drinking water or ecological resource area that is unusually sensitive to environmental damage from a hazardous liquid pipeline release.

3-3

In this instance the existing and proposed facilities / pipelines are in both drinking water and eco-sensitive resource areas, and should comply with Title 49, Part 195, Transportation of Hazardous Liquids by Pipeline. In 2006 the Pipeline Inspection, Protection Enforcement and Safety Act of 2006 (PIPES Act) was enacted, requiring PHMSA to issue new regulatory requirements to Rural Onshore Hazardous Liquid Gathering Lines and Low Stress Pipelines. A “regulated rural gathering line” is defined as (1) a line between 6 5/8 and 8 5/8 inches in diameter, (2) operating at more than 20% of Specified Minimum Yield Strength (SMYS) or, if stress level is unknown or the pipeline is not constructed with steel pipe, at a pressure of more than 125 psi gage, and (3) located in or within a quarter mile of a “unusually sensitive area” (USA) (i.e., an area that contains sole-source drinking water, endangered species, or other ecological resources that could be adversely

affected by a hazardous liquid pipeline accident or leak). Operators of rural gathering lines meeting these criteria must comply with pipeline safety requirements that address corrosion and third-party damage. In particular, operators of these lines must establish maximum operating pressure, install and maintain line markers, establish continuing public education and damage prevention programs, comply with corrosion control requirements, implement programs for continuously identifying operating conditions that could contribute to internal corrosion (including measure to prevent and mitigate internal corrosion), and comply with operator qualification programs. Even though the current line is 6" not 6 5/8" the City should implement compliance to Title 49 Part 195 Transportation of Hazardous Liquids by Pipeline for this and all existing pipelines.

Review should include the following:

- Onshore pipeline condition reports
- Pressure testing reports
- Procedural Manual for operations, maintenance and emergencies
- Review Plans on oil spill contingency plan; emergency response; fire protection; Spill Prevention, Control and Countermeasure; Hazardous Material Waste Management; and Process Safety Management, etc.
- High Consequence Area-Unusually Sensitive Area requirements
- Pipeline Integrity Management Program
- Corrosion Control, etc.
- Baseline Assessment (required for Pipeline Integrity Management Program)
- Quantitative Risk Assessment (to evaluate risk to the public and is prepared by a qualified engineer - Fire Code authority). QRA would include facility information, evaluate system process design and operation, identify hazards, include risk analysis, and potential mitigation measures. QRA should include PRC 421.
- Hazardous Operations
- Reporting safety-related conditions

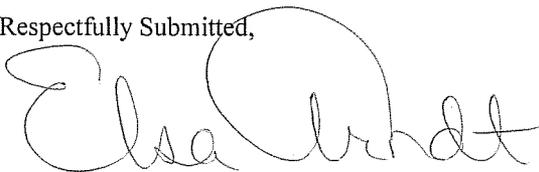
All reports and documentation should be made available for review by the City.

At the Public Scoping Meeting attendees were informed that no new drilling would take place yet on page Page 5, second paragraph, last sentence states "Neither Venoco nor the CSLC can monitor the resevoir's pressure without first drilling a well into the reservoir." This needs to be clarified.

Pier 421-2 would be returned to service as an oil production well and includes installation of new equipment such as an electric submersible pump (ESP), enclosures auxiliary stop, tamper switch and a surveillance camera. Please discuss back-up power, information on how maintenance will be conducted and when, and a security plan. The EIR should also include maintenance of the road leading to PRC 421.

Thank you for the opportunity to comment on this project. For questions concerning this correspondence, please contact me at (805) 681-5524 or by email at earndt@countyofsb.org.

Respectfully Submitted,



Elsa Arndt
Certified Emergency Manager
County of Santa Barbara, Office of Emergency Management

cc: Anne Wells, City of Goleta, Planning & Environmental Review



Santa Barbara County
Air Pollution Control District

April 22, 2013

Eric Gillies
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825

Re: APCD Response to Notice of Preparation of a Draft Environmental Impact Report for Revised PRC 421 Recommissioning Project

Dear Mr. Gillis:

The Santa Barbara County Air Pollution Control District (APCD) appreciates the opportunity to provide comments on the Notice of Preparation (NOP) of a Draft Environmental Impact Report (EIR) for the Revised PRC 421 Recommissioning Project. Venoco proposes to reactivate oil Well 421-2 on Pier 421-2 and decommission Well 421-1 on Pier 421-1. Also proposed at Pier 421-2 are a new downhole electric submersible pump, new decking and handrails. Decommissioning of Well 421-1 will include complete removal of the existing pier structure and shut-in of the well, soil remediation, and restoration of the beach and seawall. A new 2-inch pipeline will be installed in an existing 6-inch pipeline, and would be redirected to connect Pier 421-1 to the Ellwood Onshore Facility (EOF) for processing. A new electrical motor control panel, transformer, oil meter, and power cable connections will be installed at the EOF. Electricity will be provided to the pier through two cables buried within a 30-inch deep and 2,500-foot-long trench.

APCD's guidance document, entitled *Scope and Content of Air Quality Sections in Environmental Documents* (updated December, 2011) is available online at www.sbcapcd.org/apcd/landuse.htm. This document should be referenced for general guidance in assessing air quality impacts in the Draft EIR. The EIR should evaluate the following potential impacts related to the Revised PRC 421 Recommissioning Project:

4-1

1. District Permit Requirements. The proposed project is subject to APCD permit requirements and prohibitory rules. Therefore, APCD is a responsible agency under the California Environmental Quality Act (CEQA), and will rely on the EIR when evaluating any APCD permits for proposed equipment. The EIR should include the air pollutant emissions for all proposed equipment to avoid additional CEQA documentation requirements related to APCD permit issuance. Specific APCD permit requirements such as Best Available Control Technology (BACT) and offsets will be addressed in the APCD permit process. However, emission quantification in the EIR analyses should reflect compliance with APCD permit requirements.

4-2

2. Toxic Air Contaminants and Health Risk. The proposed additional well and pipelines will increase emissions of toxic air contaminants. The additional health risk related to the proposed project must be evaluated and quantified. The Health Risk Assessment (HRA) that was prepared for the existing facility should be amended to include the proposed project. Please coordinate with David Harris in APCD Engineering Division at (805) 961-8824 to ensure that the HRA is consistent with the APCD Modeling

4-3

Guidelines for Health Risk Assessments (APCD Form-15i, available on the APCD website at <http://www.sbcapcd.org/eng/dl/appforms/apcd-15i.pdf>). The final HRA methodology and results should be described in the air quality impact section of the EIR.

4-3
cont'd

3. Attainment Status and Consistency with the APCD Clean Air Plan (CAP). The APCD has posted the most up-to-date attainment status for the County on the APCD website www.sbcapcd.org/sbc/attainment.htm and the most recent Clean Air Plan is available at www.sbcapcd.org/cap.htm. The website should be consulted for the most up-to-date air quality information prior to the release of the Public Draft EIR.

4-4

Many industrial and manufacturing sources, as well as buildings with large heating devices or generator engines, may be subject to APCD rules and permit requirements. Commercial or industrial projects will be considered consistent with the CAP if they are consistent with APCD rules and regulations. Large industrial stationary source projects may be found inconsistent if their direct emissions are not considered in the CAP stationary source emission inventory (Section 5.4.2 of APCD's *Scope and Content* document).

4. Land Use Conflicts Related to Air Pollutant Emissions. The EIR should examine whether any of the operations associated with the proposed project will result in air quality impacts to sensitive land uses such as residential, childcare facilities, schools, or senior living communities. Examples of this type of impact include odors from restaurants, dust, or toxic air contaminants such as diesel particulate emissions from trucks.

4-5

5. Increase in Emissions from Proposed Project. The EIR should present significance thresholds for ozone precursor emissions (reactive organic compounds [ROC], and oxides of nitrogen [NO_x]) and particulate matter and determine whether the proposed project will produce emissions in excess of the thresholds. APCD's *Scope and Content* document contains the APCD Board-adopted criteria for evaluating the significance of adverse air quality impacts for APCD projects. In the absence of locally-adopted thresholds, APCD recommends that these thresholds be used to determine significance of air quality impacts.

4-6

The proposed project will involve air quality impacts associated with operational activities and equipment including but not limited to well workovers, well testing, pipeline pigging and fugitive emissions, boat activities, and employee vehicle trips. Stationary and area source emissions must be added to transportation source emissions prior to applying the project-specific thresholds of significance. Project alternatives considered in the EIR should also have project emissions quantified and compared to significance thresholds. If the proposed project exceeds the significance thresholds for air quality, mitigations should be applied to reduce those emissions to below the levels of significance. Section 6 of APCD's *Scope and Content* document offers ideas for air quality mitigations. However, project-specific measures should be developed that are pertinent to the specific project and are enforceable by the lead agency.

6. Construction Impacts. The EIR should discuss the potential air quality impacts associated with any construction activities for the proposed project including but not limited to well drilling, pipeline degassing, and boat activities. APCD's December, 2011 *Scope and Content* document, Section 6,

4-7

presents recommended mitigation measures for fugitive dust and equipment exhaust emissions associated with construction projects. Construction mitigation measures should be enforced as conditions of approval for the project. The EIR should include a Mitigation Monitoring and Reporting Plan that explicitly states the required mitigations and establishes a mechanism for enforcement.

4-7
cont'd

7. Global Climate Change/Greenhouse Gas impacts. Greenhouse gas (GHG) emissions and global climate change impacts should be addressed in the CEQA document. Global climate change is a cumulative impact; a project participates in this potential impact through its incremental contribution combined with the cumulative increase of all other sources of greenhouse gases.

The California Office of Planning & Research (OPR) developed amendments to the CEQA Guidelines, which were adopted by the California Natural Resources Agency on December 30, 2009 and became effective March 18, 2010. These amendments establish a framework for including global climate change impacts in the CEQA process, and include revisions to the Environmental Checklist Form (Appendix G) as well as to the Energy Conservation appendix (Appendix F). A new section (§15064.4) has been added that provides an approach to assessing impacts from GHG's. For additional information on the SB 97 CEQA Guidelines amendments, visit the Resources Agency's website at www.ceres.ca.gov/ceqa/guidelines/.

4-8

We recommend that all projects subject to CEQA review be considered in the context of GHG emissions and climate change impacts. CEQA documents should include a quantification of GHG emissions from all project sources, direct and indirect, as applicable. The discussion of climate change impacts can be included under cumulative air quality impacts or in its own section.

The EIR should examine how the project can be designed and operated to minimize GHG emissions. Some potential measures include, but are not limited to:

- Leak detection to reduce fugitive emissions
- Incorporate high efficiency process equipment
- Reduction in vehicle trips from passenger vehicles

For guidance regarding greenhouse gas analysis for CEQA environmental documents, please refer to the *CAPCOA CEQA & Climate Change* document. CAPCOA has also published *Quantifying Greenhouse Gas Mitigation Measures*, an extensive sector-by-sector compendium of project-specific mitigation measures, including quantification methods to calculate GHG reductions. Both of these documents are available online at www.capcoa.org.

APCD Response to Notice of Preparation of a Draft Environmental Impact Report for Revised PRC 421
Recommissioning Project
April 22, 2013
Page 4 of 4

We hope you find our comments useful. We look forward to reviewing the Draft EIR. Please contact me at (805) 961-8893 or by e-mail at edg@sbcapcd.org if you have questions.

Sincerely,



Eric Gage
Air Quality Specialist
Technology and Environmental Assessment Division

cc: David Harris
Project File
TEA Chron File



DEPARTMENT OF CONSERVATION

Managing California's Working Lands

DIVISION OF OIL, GAS, & GEOTHERMAL RESOURCES

195 S. BROADWAY • Suite 101 • ORCUTT, CALIFORNIA 93455

PHONE 805 / 937-7246 • FAX 805 / 937-0673 • WEBSITE conservation.ca.gov

April 22, 2013

Eric Gillies, Assistant Chief
 Division of Environmental Planning and Management
 California State Lands Commission
 100 Howe Avenue, Suite 100-South
 Sacramento, CA 95825

Dear Mr. Gillies:

NOTICE OF PREPARATION OF A DRAFT ENVIRONMENTAL IMPACT REPORT
 (DEIR) AND NOTICE OF PUBLIC SCOPING MEETING, FILE REF: SCH NO.
 2005061013, CSLC EIR No. 732; PRC 421; W30159

The Division of Oil, Gas, and Geothermal Resources (Division) has reviewed the Notice of Preparation for the above referenced project. Under the California Laws for Conservation of Petroleum & Gas (PRC) and the California Code of Regulations (CCR), the Division has authority over the drilling, operation, maintenance, and abandonment of wells, both existing and proposed, and the operation, maintenance and removal or abandonment of tanks and facilities attendant to oil and gas production, including pipelines not subject to regulation pursuant to Chapter 5.5 (commencing with § 51010) of Part 1 of Division 1 of Title 5 of the Government Code that are within an oil and gas field.

PRC § 3203 requires that, before commencing any deepening or re-drilling of a well, any operation involving the plugging of a well, or any operations permanently altering in any manner the casing of a well, the operator shall file with the supervisor or the district deputy a written notice of intention to commence such work.

Venoco, Inc. (Venoco) proposes to resume injection into well "State 421" 1. The well last injected in 1993, and the injection project has been terminated. In order to resume injection, Venoco must submit an application to resume injection together with supporting data (some of which may already be on file with the Division) as required in CCR §§ 1724.6 through 1724.10. Division approval of underground injection projects is a discretionary process subject to review by the Regional Water Quality Control Board and a public notification and comment period. Approval must be issued by the Division before injection can recommence. The Division may issue permission for Venoco to conduct injection testing for a limited time and / or limited injection volume to determine the suitability of the formation for injection.

5-1

(CONTINUED ON PAGE 2)

April 22, 2013

SCH NO. 2005061013, CSLC EIR No. 732; PRC 421; W30159

Page 2

The proposed gas/oil/water separator equipment, the new 2" pipelines, and the facilities in general will fall under CCR §§1760 through 1777.3 regarding the installation, maintenance, inspection, and testing of production facilities, tanks, and pipelines, and requirements for documentation of construction, installation, maintenance and repair operations, tests, and inspections.

5-2

Venoco currently has a spill contingency plan on file with the Division encompassing the Elwood Onshore Facility; Platform Holly, and the 421 lease. The plan will need to be amended to reflect the changes made to the 421 facilities.

5-3

Prior to plugging and abandonment of the last well on the State 421 lease, the operator will be required to submit an Abandonment and Restoration Plan covering the decommissioning of the well(s) and facilities as required in CCR § 1776 (e) and (f).

5-4

We appreciate the opportunity to comment on this document. If you have any questions, please contact me or Ross Brunetti at 805 937-7246

Sincerely,



Patricia A. Abel
District Deputy

RB:pd

cc: Chrono
EQ-EIR
Adele Lagomarsino



By Electronic Mail

April 29, 2013

Chair John Chiang and Members of the
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825

Email: CEQAcomments@slc.ca.gov

Re: Revised PRC 421 Recommissioning NOP Comments

Dear Chair Chiang and Members of the State Lands Commission:

On behalf of the Natural Resources Defense Council (“NRDC”) and our over one million members and activists, more than 250,000 of whom reside in California, we are writing to submit comments on the Notice of Preparation (“NOP”) for Venoco, Inc.’s Revised PRC 421 Recommissioning Project (“project”). The project would involve returning existing Oil and Gas Lease PRC 421 to production (ongoing production was shut-in in 1994) by reactivating Oil Well 421-2, located on Pier 421-2, in the City of Goleta. The project would also involve the decommissioning of Pier 421-2 and additional landside improvements, including the installation of new or modifications of existing infrastructure to transport and process oil from Lease PRC 421.

The EIR Should Address the Presence of, and Impacts to, Marine Protected Areas

In January 2012, a new network of marine protected areas (MPAs) went into effect in Southern California. These protected areas, which are an essential component of a statewide network, were created to protect a diversity of underwater habitats and marine species and conserve the integrity of ocean ecosystems for future generations. The proposed recommissioning of Well 421-2 would occur less than one mile from the eastern boundary of the Campus Point No-Take State Marine Conservation Area and approximately 1.5 miles from the western boundary of the Naples State Marine Conservation Area. Given the close proximity of the Campus Point and Naples MPAs to the proposed project as well as the potential for even more wide-ranging effects to MPAs throughout the Bight as a result of an oil spill, **we urge the State Lands Commission to include a description of Southern California’s marine protected areas in the EIR as well as an evaluation of the potential impacts the project could have on resources within MPAs.** Because California’s new system of MPAs have been explicitly designed to function as a network, any impacts to even one MPA may also affect the overall function of MPAs in a broader area.

Conclusion

The State Lands Commission plays a critical role in providing stewardship of the lands, waterways, and

resources of the state and ensuring the future quality of the environment through the balanced use of lands and resource protection entrusted to its care. Thus, you have the opportunity and responsibility to help safeguard California's marine ecosystems and ensure that the full potential of our new protected area network is realized for the benefit of the public. We believe the value of MPAs and the need for their long-term protection and management should be a fundamental component in Commission's analyses and decision-making.

We appreciate the opportunity to comment on this NOP. Feel free to contact us with any questions.

Very truly yours,



Karen Garrison
Co-Director, Oceans Program
NRDC



Jenn Eckerle
Ocean Policy Consultant
NRDC



April 24, 2013

Eric Gillies, Assistant Chief
Division of Environmental Planning and Management
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825
Sent via email: CEQAcomments@slc.ca.gov

Re: Revised PRC 421 Recommissioning NOP Comments

Dear Mr. Gillies:

The following comments regarding the Notice of Preparation (NOP) of a Draft Environmental Impact Report (EIR) for the Revised PRC 421 Recommissioning Project are submitted by the Environmental Defense Center (EDC) on behalf of Get Oil Out!, Los Padres Sierra Club, Citizens for Goleta Valley and Citizens Planning Association of Santa Barbara County. EDC and our clients have been monitoring the status of PRC 421 since the oil spill in 1994. We are very concerned about the impacts of recommissioning these aging facilities, and the risk of a coastal oil spill or gas leak.

We urge the California State Lands Commission (CSLC) to thoroughly analyze all potential impacts associated with the recommissioning of operations at PRC 421, and to evaluate alternatives and mitigation measures that are capable of avoiding or substantially lessening such impacts. In particular, the Draft EIR should analyze the cause and extent of re-pressurization of the field, the life of the Project and how it may be affected by re-pressurization, the aging status of the facilities that would be used for the Project, the safety and integrity of the infrastructure, the impacts of a potential oil spill on coastal tidelands in the vicinity of the Project, the effect of the nonconforming status of the Ellwood Onshore Facility (EOF) on the Project's viability, the alternative of processing at the Las Flores Canyon consolidated processing site, the effects of sea level rise, and the cumulative impact of the greenhouse gas emissions on climate change. Should the Project be approved, we would also like to see an alternative or mitigation measure that allows for a permit "re-opener" following completion of the re-

pressurization study so that the CSLC can reassess the potential impacts of the Project and take further action as appropriate and necessary.

Background

Operations at PRC 421 were shut down in 1994 following a significant oil spill. The history and location of this facility, compounded by its age, creates a perfect storm of risk to an area of coast that is known for its ecological and recreational importance. Were this project to be proposed for the first time today, it would no doubt be denied. Other facilities related to production in the Ellwood area have been rezoned and slated for phasing out because of their incompatibility with the area. Both the Ellwood Marine Terminal and EOF were rezoned in 1990. The EMT is in the process of being decommissioned. The City of Goleta's General Plan contains clear policy directives to decommission the EOF as well.

Preparation of a Draft EIR

We support the CSLC's decision to prepare an EIR for this Project. "The EIR requirement is the heart of CEQA." Guidelines § 15003(a); *County of Inyo v. Yorty* (1973) 32 Cal.App.3d 795. The fundamental purpose of an EIR is "to inform other governmental agencies and the public generally of the environmental impact of a proposed project" and "to demonstrate to an apprehensive citizenry that the agency has, in fact, analyzed and considered the ecological implications of its action." CEQA Guidelines § 15003(c), (d). An EIR shall include a detailed analysis setting forth "[a]ll significant effects on the environment of the proposed action." Pub. Resources Code § 21100(b)(1); see also CEQA Guidelines § 15126.2(a) ("An EIR shall identify and focus on the significant environmental effects of the proposed project"); *No Oil, Inc. v. City of Los Angeles* (1974) 13 Cal.3d 68; *People ex rel. Department of Public Works v. Bosio* (1975) 47 Cal.App.3d 495.

As noted in the Revised NOP, this Project will result in many potentially significant environmental impacts, including but not limited to: release of hazardous materials, water resources and water quality, air quality, safety, biological resources, geological resources, land use, recreation, public services, transportation and circulation, noise, aesthetic and visual resources, cultural and historical resources, energy and mineral resources, and climate change.

Project Description

An EIR must include a project description that is detailed enough to provide for the evaluation of the project's potential environmental impacts. CEQA Guidelines § 15124. The project description must also set forth the project objective in terms that allow the lead agency to develop "a reasonable range of alternatives." CEQA Guidelines § 15124(b).

The NOP states that the EIR “will provide information on the potential re-pressurization of the Lease PRC 421 reservoir.” NOP at p. 5. The cause of re-pressurization is critical to gain an understanding of why the field is re-pressurizing, what the risks might be, and how to eliminate such risks. The cause and extent of re-pressurization is also necessary to ascertain the potential life of the Project, which in turn is an important factor in determining the significance of the impacts of the Project. Hence, it is vitally important that the EIR analyze the cause of the re-pressurization.

7-2

The NOP also states that the EIR will provide information on “the Lease’s production history, spill history, existing and proposed infrastructure, and repairs to Project facilities.” *Id.* The history and condition of the proposed facilities will provide important information regarding the risks of oil spills, leaks and other malfunctions.

7-3

Finally, the NOP states that “[b]ased on current projections, Venoco estimates the productive life of Lease PRC 421 to be approximately 12 years, commencing in 2013 and continuing to *and potentially beyond 2025* depending upon production characteristics and Project economics.” *Id.*, emphasis added. In another section, the NOP notes that “the price of oil may dictate that the Project would continue to be economically feasible beyond the Applicant’s expectation....Therefore, while Venoco has proposed that this Project would have a productive life of 12 years, *historic data suggest that production could continue beyond that time.*” NOP at p. 10, emphasis added. It is important that the Draft EIR resolve this uncertainty and provide the best estimate of the life of the Project. Every year the Project is in production is another year of risk, and another year that the already aging facilities become even older and potentially more unsafe.

7-4

Environmental Setting

An EIR must contain a “description of the physical environmental conditions in the vicinity of the project, as they exist at the time the notice of preparation is published.” CEQA Guidelines § 15125(a). As noted in the CEQA Guidelines, “[k]nowledge of the regional setting is critical to the assessment of environmental impacts.” CEQA Guidelines § 15125(c).

The Project is proposed in a very sensitive coastal location. The Project is located on the beach and coastal bluff next to Ellwood Mesa, Haskell’s Beach and very close to the Devereux Slough, Coal Oil Point Natural Reserve, and eastern gateway to the Gaviota Coast. This region is noted for its biodiversity, important bird and plant species, and habitat for endangered and threatened species such as the western snowy plover and the California least tern.

7-5

The EIR must include a full inventory of sensitive, rare, threatened and endangered species and habitats in the area surrounding the proposed Project site. Because of the recreational importance of this area, the EIR must also describe the existing public access at the beach, Ellwood, Devereux, the Bacara, and Sandpiper Golf Course.

Impacts

The EIR must assess all of the potential environmental impacts that may be caused by the proposed Project, including direct and indirect impacts as well as cumulative impacts. CEQA Guidelines §§ 15126.2(a), 15130. We support the list and description of potential environmental impacts set forth in the Revised NOP. In addition, we wish to draw special attention to four impact areas: (1) risks of oil spills and gas leaks; (2) risks related to the aging state of the facilities; (3) consistency with the City of Goleta's General Plan; and (4) climate change and greenhouse gas emissions.

Risks of Oil Spills and Gas Leaks

This Project is located in a highly sensitive area, both with respect to the biological resources and public use in the vicinity of the Project site. An oil spill could result in devastating impacts to the marine, tidal and terrestrial resources of the area, as well as public recreation and water quality. A gas leak could result in a significant impact to public safety and recreation. The Draft EIR should evaluate a worst case scenario for an accident, including the potential for human error.

7-6

Risks Related to the Aging State of the Facilities

The usual risks associated with an oil and gas facility are grossly exacerbated by the age and degraded status of some of the Project facilities. The Draft EIR should carefully evaluate the condition of *all* of the Project equipment and facilities, and analyze how the condition of such components may contribute to Project-related impacts.

7-7

Consistency with the City of Goleta's General Plan

CEQA requires that lead agencies "discuss any inconsistencies between the proposed project and applicable general plans, specific plans, and regional plans." Guidelines § 15125(d). In this case, Venoco proposes to process oil and gas from PRC 421 at the EOF. This facility site is zoned for Open Space/Active Recreation use and the EOF is thus a nonconforming facility. City of Goleta General Plan Policy LU 10.1(b). While the City's General Plan discourages processing on the pier (LU 10.4(b)), the Plan also notes that the "Venoco EOF site is an inappropriate location for processing of oil and gas because of the public safety and environmental hazards associated with this type of use and its close proximity to residential neighborhoods, Ellwood School, Bacara Resort, and environmentally sensitive habitat areas" (LU 10.1(b)). No expansion of the permitted throughput capacity is allowed. LU 10.1(c).

7-8

The Draft EIR should identify all relevant policies and ordinances for the City of Goleta that may have a bearing on this Project, and analyze the Project's consistency with such provisions in accordance with CEQA Guidelines § 15125(d). As noted below, the

7-9

Draft EIR should also evaluate alternatives that are consistent with the City's General Plan, e.g., processing at Las Flores Canyon.

Climate Change and Greenhouse Gas Emissions

Climate change impacts are typically addressed as cumulative impacts. In this case, the Draft EIR must quantify the expected greenhouse gas emissions from the Project and disclose the potential impacts of contributing to climate change. We urge the CSLC to continue its practice of applying a zero-emission threshold for assessing such impacts. (See *Venoco Ellwood Marine Terminal Lease Renewal Project Final Environmental Impact Report*, California State Clearinghouse (SCH) No. 2004071075, CSLC EIR No. 743, April 30, 2009; *Draft Environmental Impact Report for the Venoco Ellwood Oil Development and Pipeline (Full Field) Project*, State Clearinghouse No. 2006061146, CSLC EIR No. 738, June 2008.) This threshold of significance provides an accurate assessment of Project impacts, given the fact that the global climate already exceeds current targets for stabilization and thus any new emissions will contribute to a cumulatively significant impact.¹ According to the California Air Pollution Control Officers Association (CAPCOA),

7-10

The scientific community overwhelmingly agrees that the earth's climate is becoming warmer, and that human activity is playing a role in climate change. Unlike other environmental impacts, climate change is a global phenomenon in that all GHG emissions generated throughout the earth contribute to it. Consequently, both large and small GHG generators cause the impact. While it may be true that many GHG sources are individually too small to make any noticeable difference to climate

¹ Hanson J., et al. "Target atmospheric co2: where should humanity aim?" *Open Atmospheric Science Journal* 2 (2008): 217-231; Eby, M., Montenegro A., Zickfeld K., Archer D., Meissner K., & Weaver A. "Lifetime of anthropogenic climate change: millennial time scales of potential co2 and surface temperature perturbations." *Journal of Climate* 22, Special Collection (May 2008): 2501-2511; Matthews D., & Caldeira K.. "Stabilizing climate requires net zero emissions." *Geophysical Research Letters*, February 27, 2008: 1-5; Allison I., Bindoff N.L., Bindshadler R.A., Cox P.M., de Noblet N., England M.H., et al. (2009). *The Copenhagen Diagnosis*. The University of New South Wales Climate Change Research Centre (CCRC). Sydney: CCRC; Lowe A., Huntingford C., Raper S., Jones C., Liddicoat S., & Gohar L. "How difficult is it to recover from dangerous levels of global warming?" *Environmental Research Letters*, March 11, 2009; Zickfeld K., E. M. (2009). Setting cumulative emissions targets to reduce the risk of dangerous climate change. *National Academy of Sciences of the United States*, 106 (38), 16129-16134; England M., Alexander S.G., & Pitman A.J. "Constraining future greenhouses gas emissions by a cumulative target." *National Academy of Sciences of the United States of America* 106, no. 39 (September 2009): 16539-16540.

change, it is also true that the countless small sources around the globe combine to produce a very substantial portion of total GHG emissions.

A zero threshold approach is based on a belief that, 1) all GHG emissions contribute to global climate change and could be considered significant, and 2) not controlling emissions from smaller sources would be neglecting a major portion of the GHG inventory.

CEQA explicitly gives lead agencies the authority to choose thresholds of significance. CEQA defers to lead agency discretion when choosing thresholds. Consequently, a zero-emission threshold has merits.²

We are happy to see that impacts from greenhouse gas emissions were added to the Revised NOP. We urge the CSLC to fully analyze impacts from such emissions by employing a zero-emission threshold.

The Draft EIR must also address the impacts of climate change on the Project. For example, the Draft EIR should analyze how sea level rise will address this coastal facility. Site-specific sea level rise predictions and analysis will be critical to ensuring the safety of the Project and assessment of impacts and measures to avoid or substantially lessen such impacts.

In addition to sea level rise, the Draft EIR must consider the separate, and cumulative, impacts that could result from earthquakes, tsunamis, or winter storm surge impacts on the pier and related infrastructure.

Alternatives

CEQA Guidelines § 15126.6 requires that an “EIR shall describe a range of reasonable alternatives to the project or to the location of the project, which would feasibly attain most of the basic objectives of the project but would avoid or substantially lessen any of the significant effects of the project, and evaluate the comparative merits of the alternatives.” The Revised NOP sets forth only two alternatives (other than the obligatory No Project alternative) for analysis in the Draft EIR: oil processing on Pier 421-2 and re-injection at Platform Holly. It is unclear whether either of these alternatives would “avoid or substantially lessen” the significant effects of the project; this is a question that must be answered by the preparers of the EIR.

EDC and our clients request that the Draft EIR include two additional alternatives: (1) the No Project Alternative with Pressure Testing; and (2) Processing at the consolidated Las Flores Canyon Processing Site.

² CAPCOA, *CEQA & Climate Change: Evaluating and Addressing Greenhouse Gas Emissions from Projects Subject to the California Environmental Quality Act*, p. 27 (2008).

7-10
cont'd

7-11

7-12

No Project Alternative with Pressure Testing

The Revised NOP identifies several alternatives that were eliminated from full evaluation in the 2007 Draft EIR. NOP at p. 14. One of those alternatives is the “No Project Alternative with Pressure Testing.” Pressure testing is a critical component of the CSLC’s analysis of the project, its impacts, and potential mitigation measures and alternatives. Information about the cause and extent of re-pressurization is necessary to determine the life and impacts of the Project, especially as related to release of hazardous materials, safety, geology, water quality, and recreation. We therefore urge the CSLC to consider this alternative as a separate initial Project. In this manner, the CSLC would be able to allow limited drilling to conduct its analysis, and then use that analysis to inform its environmental review of the full proposed Project. Otherwise, the Project will be approved and production will ensue *before* complete and necessary information is available.

7-12
cont 'd

Another alternative or mitigation measure would be to require new discretionary review, such as a permit “re-opener,” when the results of the re-pressurization study are complete. This review would allow the CSLC to add or modify project conditions in response to the findings of the study. Such review would be similar to Santa Barbara County’s practice of including conditions for “effectiveness review” in permits for major oil projects. For example, see attached Condition B.2 from the Point Arguello Project Final Development Plan. This type of condition allows the lead and responsible agencies to conduct a comprehensive review of project operations and conditions at appropriate times to determine whether impacts are effectively mitigated and, based on that review, to impose additional conditions. Completion of the re-pressurization study would be an appropriate time to comprehensively review the project conditions to make sure that impacts are clearly understood and effectively mitigated.

7-13

Processing at Las Flores Canyon

EDC and our clients also request analysis of an alternative that is not mentioned in the Revised NOP - processing at the consolidated Las Flores Canyon processing site. This alternative reflects the City’s General Plan policy supporting the designation of Las Flores Canyon as the site for consolidation of oil and gas processing on the South Coast. Policy LU 10.1(a). This alternative also avoids perpetuation of the non-conforming use at the EOF.

7-14

Mitigation Measures

This Project is expected to result in several significant environmental impacts. Accordingly, the Draft EIR must evaluate not only alternatives that will avoid or substantially lessen those impacts, but also mitigation measures. CEQA Guidelines §

15126.4. Mitigation measures must be “fully enforceable.” CEQA Guidelines § 15126.4; *Federation of Hillside and Canyon Assns v. City of Los Angeles* (2000) 83 Cal.App.4th 1252. Development and analysis of mitigation measures must not be deferred. CEQA Guidelines § 15126.4(a)(1)(B); *San Joaquin Raptor Rescue Center v. County of Merced* (2007) 149 Cal.App.4th 645; *Kings County Bureau v. City of Hanford* (1990) 221 Cal.App.3d 692; *Sundstrom v. County of Mendocino* (1988) 202 Cal.App.3d 296. If a mitigation measure would cause any environmental impacts, the Draft EIR must assess those impacts as well. CEQA Guidelines § 15126.4(a)(1)(D).

7-15

Conclusion

This Project has been proposed for a long time, yet there continue to be many outstanding questions and concerns. Perhaps the most problematic aspect of the proposal is the lack of information about what is causing the re-pressurization, whether the proposed production will reduce the threat of re-pressurization, and if so, to what degree. The lack of information regarding re-pressurization also limits the ability of the CSLC to correctly ascertain the potential life of the Project, and hence the timing and severity of the impacts of the Project. Accordingly, we request that the CSLC consider an alternative or mitigation measure that will allow the agency to first study and ascertain the cause of re-pressurization, and the likely effect of drilling and production on re-pressurization.

Another significant concern about the Project is the proposal to process the oil and gas at the EOF. The site for this facility was rezoned for other uses in 1990, and for more than 20 years the County of Santa Barbara and the City of Goleta have looked forward to the decommissioning of the EOF and the conversion of the site to Open Space and Recreation. The facility is surrounded by important public uses: residential neighborhoods, formal coastal beach access, the Ellwood Mesa, Sandpiper Golf Course, soon-to-be Haskell’s Landing homes, and the Bacara Resort, just to name a few. It is critical that the Draft EIR examine an alternative site for processing. Processing on the pier raises obvious concerns. Processing at Las Flores would comply with longstanding coastal policies for this region and avoid (or at least substantially lessen) the risks and impacts associated with use of the EOF.

Finally, we look forward to an analysis of all of the direct, indirect and cumulative impacts that may result from this Project. Safety, risk of oil spills and gas leaks, and climate change are some of the key impacts that must be thoroughly analyzed.

Thank you for this opportunity to comment on the scope of the Draft EIR for Venoco’s proposed PRC 421 Recommissioning Project. Please do not hesitate to contact me if you have any questions regarding these comments.

Sincerely,



Linda Krop, Chief Counsel

April 24, 2013
Revised PRC 421 Recommissioning NOP Comments
Page 9 of 9

att: Point Arguello Project Final Development Plan Condition B.2

cc: Get Oil Out!
Los Padres Sierra Club
Citizens Planning Association
Citizens for Goleta Valley
City of Goleta
County of Santa Barbara
California Coastal Commission

Point Arguello Project (85-DP-32CZ)
Final Development Plan Conditions
August 19, 1985

B-2. County Imposition of New Conditions and Comprehensive Review of Conditions

If at any time County determines that these permit conditions are inadequate to effectively mitigate significant environmental impacts caused by the project, or that recent proven technological advances could provide substantial additional mitigation, then additional reasonable conditions shall be imposed to further mitigate these impacts. Imposition of such conditions shall only be considered and imposed as part of the County's

comprehensive review of the project conditions. County shall conduct a comprehensive review of the project conditions and consider adding reasonable conditions which incorporate proven technological advances three years after permit issuance and at appropriate intervals thereafter. A comprehensive review of conditions which are not effectively mitigating impacts may be conducted at any appropriate time. Upon written request, the Board of Supervisors shall determine whether the new condition required is reasonable considering the economic burdens imposed and environmental benefits to be derived.

LEAGUE OF WOMEN VOTERS OF SANTA BARBARA

e-mail: info@LWVsantabarbara.org

March 29, 2013

Eric Gilles, Assistant Chief
Division of Environmental Planning and Management
California State Lands Commission
100 Howe Ave., Suite 100-South
Sacramento, CA 95825

Re: Revised PRC 421 Recommissioning NOP Comments

Dear Mr. Gilles:

The Santa Barbara League of Women Voters has been following proposals for PRC 421 for many years. We share the concerns of many about its 85 year old well, the last one in California to be located so close to the beach. Consequently we ask that mitigations suggested in the EIR should offer the highest level of protection.

The University of California regularly conducts research and collects samples in the waters that would be impacted by a spill from this well. Also nearby is the Devereux Slough, part of the university's Natural Reserve System, obviously a sensitive habitat. In this situation spill prevention to lessen the risk of biological impacts has a high level of importance. The League suggests that mitigation could include extra training for the oil rig crew and unannounced inspections.

8-1

The League urges consideration of an alternative of processing at Exxon's Las Flores Canyon facility instead of on the pier. This would put that phase of production away from the Ellwood Onshore Facility which is sited on land zoned Recreational and away from the pier.

8-2

Although we cannot attend the hearing on April 3 we appreciate the decision of the CSLC to hold it in the locality most concerned about this project.

Sincerely,

Beth Pitton-August, co-President

Jean Holmes

Chair, Energy Committee

CB ✓ MMV —
JWP —
FILE: PRC 421
Copy to: Cyosffins
DEPM.

April 24, 2013

California State Land Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202

Ref: SCH No. 2005061013
CSLC EIR No. 732; PRC 421; W30159

Dear California State Land Commission:

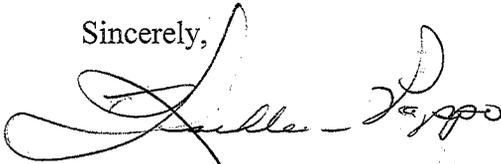
I received your letter regarding the aforementioned file numbers.

I do believe that oil drilling was disbanded in 1994 for very important reasons.

I am against the Venoco drilling project.

9-1

Sincerely,



Kathleen Pappo
Barbareño/Ventureño Band of Mission Indians
2762 Vista Mesa Drive
Rancho Palos Verdes, CA 90275-6324

USA FIRST-CLASS FOREVER



Rathlene P. [unclear]
2762 Vista Mesa Dr
Rancho Fels Vargas
APR 27 2014

California State Child Commission
100 Howe Ave. Ste 100 - South
Sacramento, CA 1

Veronica

LOS ANGELES CA 900
7 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31

LOS ANGELES CA 900

RECEIVED
MAY - 1 2013

RECEIVED
APR 27 2014

From: Lanny Ebenstein [lannyebenstein@aol.com]
Sent: Monday, April 29, 2013 3:29 PM
To: CEQAComments@SLC
Subject: Revised PRC 421 Recommissioning NOP Comments

TO:
California State Lands Commission

FR:
Lanny Ebenstein, Ph.D.
President, California Center for Public Policy

RE:
Revised PRC 421 Recommissioning NOP Comments

This letter is to provide strong support for Venoco's application to return existing Oil and Gas Lease PRC 421 to production. The project would use already existing infrastructure.

Commencement of production would enable determination if the Lease PRC 421 oil and gas reservoir is naturally re-pressurizing. Increased reservoir pressure could result in releases of oil to the marine environment from historical, abandoned oil wells and natural seeps. It is not possible to monitor the reservoir's pressure without first drilling a well into the reservoir.

10-1

This project would neither expand nor extend the life of the Ellwood Oil Field. The best way for the oil to be handled is through the Ellwood Oil Field. This application would allow Venoco to abandon one of the piers and limits oil activity on the remaining pier.

10-2

It is vital, for the sake of the environment, that this project is approved.

Yours truly,

Lanny Ebenstein, Ph.D.
President
California Center for Public Policy
P.O. Box 3480
Santa Barbara, CA 93130
Ph. (805) 682-9815

From: AOL account [quickpool@aol.com]
Sent: Monday, April 29, 2013 4:35 PM
To: CEQAComments@SLC
Subject: RE: Comments regarding Lease 421

Eric Gillies, Assistant Chief
Division of Environmental Planning and Management
California State Lands Commission
100 Howe Avenue, Suite 100-South
Sacramento, CA 95825

April 29, 2013

Dear Mr. Gillies,

My name is Richard Whited. I have lived all but 2 years of my life in the Santa Barbara, Goleta or IV area. I have walked the beaches from Hendry's beach to Haskell's beach for more than 50 years. In the last 50 years, the amount of tar on the Goleta, UCSB, IV and Haskell beaches have decreased dramatically, maybe by 90% at Goleta, by 80% at UCSB and IV and by 60% at Haskell. There are two events that have caused this decrease. One is that drilling around Coal Oil point has decreased the pressure driving the natural oil leakage and the other is the two large tent like structures that were placed over natural leaks.

11-1

I do not know if continued drilling or resuming drilling would further decrease the pressure driving the natural leakage. However I would recommend that the EIR study if resuming drilling would be expected to reduce natural leakage and by how much.

11-2

I do know that an expanded number of large tent like structures would reduce natural leakage. I would recommend that the EIR study the use of an increased number of large tent like structures as an important mitigation measure.

11-3

Richard Whited
Goleta

PUBLIC SCOPING MEETING
STATE OF CALIFORNIA
LANDS COMMISSION

CITY OF GOLETA
COUNCIL CHAMBERS
130 CREMONA DRIVE, SUITE B
GOLETA, CALIFORNIA

WEDNESDAY, APRIL 3, 2013

3:05 P.M.

6:15 P.M.

JAMES F. PETERS, CSR, RPR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 10063

A P P E A R A N C E S

STAFF:

Mr. Eric Gillies, Project Manager

Ms. Holly Wyer

ALSO PRESENT:

Dr. Ingborg Cox

Ms. Fran Farina, Los Padres Sierra Club

Ms. Carla Frisk, Get Oil Out

Mr. Steve Greig, Venoco

Ms. Linda Krop, Environmental Defense Center, Los Padres
Sierra Club, Get Oil Out, Citizens Planning Association
and Citizens of Goleta Valley

Ms. Barbara Massey

Mr. David Sangster

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P R O C E E D I N G S

1
2 PROJECT MANAGER GILLIES: Well, welcome
3 everybody. Good afternoon. I want to welcome you to the
4 revised PRC 421 recommissioning public scoping meeting for
5 the preparation of a Draft EIR, Environmental Impact
6 Report. If you haven't done so, sign up sheets are at the
7 entrance and speaker slips are up there if you would like
8 to speak on the project.

9 I'm Eric Gillies. I'm the project manager for
10 the California State Lands Commission. I've been working
11 this project since 2004. On my right here is Holly Wyer.
12 She's one of our new scientists. That will be my Deputy
13 Project Manager as we prepare this new EIR.

14 The State Lands Commission is the lead agency for
15 the California Environmental Quality Act in preparation of
16 this Draft EIR. This meeting is the Notice of
17 Preparation. We've been working in cooperation
18 with -- through a joint review panel with the City of
19 Goleta and the Coastal Commission.

20 Then a couple other people. We have Dan Gira in
21 our audience. He's with Amec Earth and Environmental.
22 He's the consultant we contracted for the original EIR.
23 And he's continuing to help us work and prepare the new
24 Draft EIR. We also have Steve Greig with Venoco,
25 representing Venoco as a project proponent. Also, we have

1 a transcriber reporting the session here today to make
2 sure we gather -- collect all the comments during this
3 process.

4 So the purpose of this meeting is basically to
5 take in comments, as far as the scope and content of the
6 EIR we'll be preparing for this project. We circulated a
7 previous Draft EIR in 2007. And since then, the project
8 has been off and on since then. And since there's been
9 several changes in the past few years, in particular the
10 line 96 was constructed from the EOF to Las Flores Canyon,
11 which basically eliminated barging from the Ellwood Marine
12 Oil Terminal.

13 And then recently, Venoco has completed emergency
14 repairs on PRC 421-2, which is the eastern most pier out
15 on the shore.

16 Can everybody hear me okay?

17 I just want to check.

18 Okay.

19 And then project alternatives have changed and
20 cumulative projects also since 2007 has changed quite a
21 bit. So because of these substantial changes, we decided
22 to do a new EIR process, so therefore we've prepared a new
23 NOP, which we circulated in early March. March 5th was an
24 NOP we published, which was basically the project that was
25 proposed originally in the 2007 EIR, which is basically

1 producing oil and separating on the pier and going
2 directly into line 96.

3 A couple weeks ago, Venoco requested to amend
4 their application to take the production and take it to
5 the EOF for separation and commingling with Holly oil
6 before it goes into line 96.

7 From this point, I'm going to -- did everybody
8 get an aerial photo?

9 I just want to go over the project components
10 from this photo. I didn't bring a PowerPoint or anything
11 to put on the screen. But if you have haven't, we
12 have --

13 MS. WYER: You want me to go grab some?

14 PROJECT MANAGER GILLIES: Yeah.

15 Does anybody need one?

16 I have some up here.

17 And this photo is in the NOP as well, if you have
18 the NOP.

19 So if you're looking at the photo, the
20 two -- there's two pier structures right below the bluffs,
21 so Sandpiper Golf Course -- Sandpiper Golf Course, 421-1
22 is the western most pier, and 421-2 is the eastern most
23 pier, which is the production well. It's an existing well
24 that's been shut in since 1994, when the spill occurred
25 over by the -- on the golf course. And then 421-1 was a

1 water injunction well.

2 Historically, the production went from 421-2
3 injected into 421-1, the water, and then went directly
4 into line 96, which is just south of the EOF, which is in
5 pink. And then from there, line 96 went out to the
6 Ellwood Marine Terminal. Now, line 96 goes under Highway
7 101 and then goes west to Las Flores Canyon about eight
8 miles.

9 So the proposed project would be to 421 -- put
10 421-2 back into production and then take the oil directly
11 into the Ellwood Onshore Facility where it would commingle
12 with Holly oil and then get processed through the onshore
13 facility before it goes out into line 96 and to Las Flores
14 Canyon.

15 With that new proposed project, it
16 would -- injection would occur within the EOF and
17 subsequently 421-1 wouldn't be required for the project
18 and would be removed, leaving just the one pier.

19 Also, part of the project would be, there's one
20 existing pipeline that would remain and they would sleeve
21 in a two-inch pipeline leading from 421-2 to the EOF. And
22 then they would trench in a new power cable from EOF, a
23 communication cable, to 421-2.

24 So as far as onshore construction, that's about
25 it. It will be mostly confined to the access road

1 crossing one of the golf links to the onshore facility.

2 That's basically it. Did you have anymore to
3 say, Steve, on that?

4 MR. GREIG: I guess my one comment would be the
5 sleeving of the two-inch line would be actually --

6 MS. WYER: Could you go to the podium and
7 introduce yourself.

8 PROJECT MANAGER GILLIES: Since we're recording,
9 we have microphones here and at the podium.

10 MR. GREIG: Yeah. Steve Greig with Venoco. The
11 only thing I would add is that the line that would be
12 sleeved through the existing line would be essentially a
13 sleeve line in itself. So there would be -- there's a
14 containment line that would go in first. I think that one
15 is a four inch, and then the two-inch line would go
16 through that. So there's --

17 PROJECT MANAGER GILLIES: So it's an existing six
18 inch, right?

19 MR. GREIG: Right. And then there's a four-inch
20 containment line that would go in and then the two inch
21 would go inside, so that there's kind of multiple ways of
22 doing it. That will become the spill containment in the
23 pipeline.

24 PROJECT MANAGER GILLIES: Oh, okay. Thank you.
25 So that's basically the proposed project. And

1 then what was proposed in 2007, which was to produce
2 separate on pier 421-2, that would become an alternative
3 to this new proposed project, which would -- basically
4 that would be separating the gas and oil on 421-2 and then
5 taking it to 421-1 and injecting it within that pier, so
6 the pier would have to remain for that alternative.

7 Then, of course, we'll be analyzing the
8 no-project alternative. And then one other alternative
9 reinjection at Platform Holly, which would be basically
10 the separating the oil and gas and water at 421-2, and
11 instead of injecting it in 421-1, it would go
12 out -- shipped out to Holly. And, in that case, 421-1
13 would go away as well, but the separation would still
14 occur on 421-2.

15 And there's other alternatives that will be
16 looked at, but will be discarded as far as the rationale
17 for not analyzing those alternatives. However, the other
18 alternatives come up from the public scoping or we'll have
19 to look at those in the Environmental Impact Report.

20 The NOP briefly describes several issue areas
21 that would have a potential significant impact effect on
22 the environment from the proposed project. These namely
23 are safety, hazardous materials, air quality, including
24 greenhouse gases, water quality, marine and terrestrial
25 biological resources and land use and recreation.

1 So the Environmental Impact Report will look at
2 those in detail, since they'll most likely have the most
3 significant impacts on those resources.

4 And that's basically what I have as far as the
5 project outline and what we intend to analyze in the
6 Environmental Impact Report.

7 At this point, are there any questions or
8 clarifications from the audience?

9 Yes, David. Come up here, please.

10 MR. SANGSTER: It's just a question.

11 PROJECT MANAGER GILLIES: Well, they just -- so
12 we get it recorded.

13 MR. SANGSTER: Sure. I have a lot of other
14 issues that I'll put in writing. But one question came
15 up --

16 PROJECT MANAGER GILLIES: Can I get your name for
17 the record, please.

18 MR. SANGSTER: David Sangster, Ellwood resident.

19 The one question came up, you mentioned back into
20 production. Does that involve any new drilling?

21 PROJECT MANAGER GILLIES: No.

22 MR. SANGSTER: No.

23 PROJECT MANAGER GILLIES: The wells are already
24 there. Basically, it would be --

25 MR. SANGSTER: Open the well or --

1 PROJECT MANAGER GILLIES: Yeah, returning it back
2 to production.

3 MR. SANGSTER: Sure, and maybe some engineering
4 project or something involved with that.

5 PROJECT MANAGER GILLIES: It will be a -- what do
6 you call it, a submersible pump that would be installed
7 into the well to restart the production. So there won't
8 be any new drilling. The well is already drilled.

9 MR. SANGSTER: Okay.

10 PROJECT MANAGER GILLIES: It's just a matter of
11 pumping the oil back up for production.

12 MR. SANGSTER: And a side issue was it
13 considered -- is it possible to access the same field from
14 Holly?

15 PROJECT MANAGER GILLIES: We looked at that, and
16 it's technically infeasible, because the 421 oil field, as
17 I understand it, is shallower compared to what's being
18 drilled from Holly. So you couldn't technically drill
19 from Holly and bring it back up to reach 421. So we do
20 analyze that in the document. We'll analyze that in the
21 document. That will be discarded, because it's not
22 technically feasible.

23 MR. SANGSTER: Okay.

24 PROJECT MANAGER GILLIES: Is that correct, Steve?
25 All right. Well, if nobody has any other

1 questions, we'll go ahead and start the public comment
2 period. I'll ask Carla Frisk to come up, please.

3 MS. FRISK: Do I have to go first?

4 PROJECT MANAGER GILLIES: Oh, sorry. It's last
5 one in, first one up.

6 (Laughter.)

7 PROJECT MANAGER GILLIES: All right. Linda.

8 MS. FRISK: I'm close.

9 MS. KROP: You owe me.

10 Good afternoon. My name is Linda Krop, K-r-o-p.
11 I'm chief counsel of the Environmental Defense Center,
12 here today representing the Los Padres Sierra Club, Get
13 Oil Out, Citizens Planning Association and Citizens of
14 Goleta Valley. And we will be submitting written comments
15 on the record.

16 First of all, thank you for holding this hearing
17 locally. It's really important to provide access to our
18 community. This is an issue that affects us all pretty
19 directly. It's right along a coastline that's heavily
20 used by the public for recreation, and other purposes.

21 This is one of those classic cases of wrong
22 project in the wrong place at the wrong time. It's a very
23 precarious location for a project like this. It's very
24 outdated. It's very risky. It will pose significant
25 impacts to our coastline. We understand there are certain

1 parameters that guide the State's review of this project,
2 given that it is an existing lease and that there has been
3 production from this lease in the past, but we do want you
4 to pay very close attention to these concerns.

5 EDC and our clients have all been involved with
6 this issue since 1994, when the oil spill occurred, and
7 we've been monitoring the progress at the site ever since
8 then. We have many concerns. One, the fact that the
9 facilities are so old, and we don't know exactly what
10 conditions some of them are in. We're concerned about the
11 integrity and safety of some of the infrastructure. And
12 some of that is mentioned in the NOP, but it may go beyond
13 the pipeline itself and involve some of the production
14 facilities as well.

12-1

15 We are concerned about the potential for an oil
16 spill in a very biologically rich part of our coastal
17 tideland areas. We are concerned about problems with
18 processing, whether the processing occurs on the pier or
19 at the Ellwood Onshore Facility. Both of those create
20 issues that we're concerned about processing at the pier.
21 It creates concerns about safety, about leakage or spills
22 right into the ocean and along the coast. Processing at
23 the Ellwood Onshore Facility involves, you know, prolonged
24 use of a facility that this community has been trying to
25 phase out.

12-2

1 All of these need to be addressed in the
 2 Environmental Impact Report. In addition, it's important
 3 to have an accurate and complete project description. One
 4 of the key components of this project is to address the
 5 pressurization issue. And so we hope that the EIR will
 6 include a comprehensive analysis of what is causing that
 7 pressurization, what the life might be, how that affects
 8 the production of the field and the life of the project.

12-3

9 The NOP indicates that the life of the project is
 10 12 years, and we would like that to be carefully analyzed,
 11 as indicated in the document itself. That may or may not
 12 be the case. It depends on economics, as well as
 13 production, as well as pressurization. So all of that
 14 needs to be addressed and clarified.

12-4

15 The impacts analysis in the EIR must address the
 16 risks and potential consequences of leaks and spills, the
 17 enhanced risk due to the use of aging facilities. And
 18 with respect to greenhouse gas emissions, we see that that
 19 has been added to the revised NOP and we greatly
 20 appreciate that. This is an issue that we've been
 21 monitoring closely with all projects in our service area.
 22 And we would like to point out and applaud the State Lands
 23 Commission for using a zero emission threshold for
 24 analyzing greenhouse gas emissions in prior EIRs in this
 25 area for the Full Field Development Project and for the

12-5

12-6

1 Ellwood Marine Terminal. And so we urge you to use that
2 same threshold, so that we have a full quantification of
3 emissions and full potential mitigation, should the
4 project go forward.

12-6
cont'd

5 Finally, with respect to alternatives, because of
6 the problems with both processing at the pier and at the
7 Ellwood Onshore Facility, we ask that the EIR address
8 processing at Las Flores Canyon, which is the one
9 consolidated processing site on the south coast. It was
10 designated back in the late 1980s, and as such, the
11 Ellwood Onshore Facility was redesignated for recreational
12 uses in 1990. And so we would like to see the alternative
13 of processing at the consolidated site in the EIR.

12-7

14 Thank you very much.

15 PROJECT MANAGER GILLIES: Thank you, Linda.
16 Fran Farina.

17 MS. FARINA: I'm Fran Farina, F-a-r-i-n-a,
18 representing the Los Padres Sierra Club. We are a client
19 of Environmental Defense Fund. And Linda Krop has
20 expressed, in a broad overview, some of the general
21 concerns we have, which will be amplified in written
22 comments that will be submitted to you.

23 I personally would like to thank you for coming
24 again and we do so much appreciate this. And we brought
25 you good weather today. No rain.

1 PROJECT MANAGER GILLIES: We appreciate coming
2 down. That's for sure.

3 MS. FARINA: One of the issues that Sierra Club
4 cares deeply about is eliminating the non-conforming use
5 of the Ellwood Onshore Facility, so that the public can
6 once again have access to this coastal area without an
7 industrial structure. Therefore, anything that enhances
8 or lengthens the life of this facility is of great concern
9 to us.

12-8

10 I did notice in the NOP there was reference to
11 modifications to the EOF. And I'm not sure what those are
12 going to be, but that could cause an extension of the life
13 of the facility, again, which is not something that we
14 want to see.

12-9

15 We, too, are concerned with the age of the
16 infrastructure. I'm reminded of an automobile that might
17 have been in storage for almost 20 years. I mean it just
18 doesn't start right up. And when you're exposed to the
19 elements the way a lot of this infrastructure has been, a
20 very careful analysis of its condition and that which has
21 to be rehabilitated or replaced is important.

22 The repressurization issue, we have heard from
23 State Lands staff of their concern, because none of us
24 understand why it is happening. This is the opportunity
25 to truly get a comprehensive investigative study and

12-10

1 analysis, because we don't want to see this happen again.

2 So you may not have had the money. Venoco, with
3 your permission, is going to be doing the drilling, but
4 this needs to be answered thoroughly, and we will be
5 looking for that.

6 And finally, again on the emissions, greenhouse
7 gas emissions, we do appreciate the standard that has been 12-11
8 set and would hope that the zero emission standard would
9 be continued for this project.

10 Thank you.

11 PROJECT MANAGER GILLIES: Thank you, Fran.

12 Okay, Carla Frisk.

13 MR. SANGSTER: Carla, just so you know, that
14 microphone is not working. It's the one on the podium, so
15 you want to speak loud enough to be heard.

16 MS. FRISK: Oh, it's this one. Okay.

17 Thank you very much, my name is Carla Frisk. I'm
18 here today representing the organization Get Oil Out,
19 which, as you all know, was formed 39 years ago in the
20 aftermath of the oil spill.

21 I want to thank you for the opportunity to speak
22 to you today at the scoping hearing on this Environmental
23 Impact Report for lease 421.

24 Given that this project is the resumption of oil
25 production in an area where the oil field may be

1 repressurizing, it is certainly not the typical oil and
2 gas project that we usually speak to you about. In fact,
3 Get Oil Out finds that this is a project of Catch 22s.

4 The first catch is that the production from lease
5 421 ceased almost 20 years ago. Had the State Lands
6 Commission required that production be restarted shortly
7 thereafter or abandonment of the site, we wouldn't
8 actually be here today before you considering a project to
9 extract oil and gas from a small pier located essentially
10 in the surf zone, a project that would most likely never
11 be approved if it were a new proposal due to the
12 devastating impacts that would result from an oil spill in
13 this very volatile location.

14 The second catch is that it is being asserted in
15 the NOP that without drilling, it cannot be determined if
16 and to what extent the field is repressurizing and why.
17 So without the drilling, you can't get the answers that
18 you need, but without the answers that you need, you might
19 not even only need the drilling.

20 While the project description includes a 12-year
21 estimate of the economic productivity, it includes no
22 information about whether or not this time frame would
23 address the repressurization issue. The DEIR must
24 therefore include a full investigation of the
25 repressurization issue, so that decision makers will know

12-12

1 whether or not this project would only end up being a
2 Band-Aid, a Band-Aid that benefits only the producer with
3 no resolution of the repressurization into the future.

4 As with all oil and gas projects that involve
5 older infrastructure, and we've certainly had our fair
6 share of them, GOO is very concerned about the use of this
7 aging facilities -- these aging facilities, especially the 12-13
8 six-inch pipeline that connects PRC 421 to line 96, a
9 concern that is actually reflected in the NOP on page
10 seven.

11 We laud the inclusion of the analysis of the
12 project's impact on greenhouse gases and climate change,
13 and encourage you to calculate those greenhouse gas 12-14
14 emissions with a zero emission threshold, which the State
15 Lands Commission has, in fact, done in the past.

16 GOO also strongly supports the inclusion of both
17 the no-project alternative with pressurized testing, as
18 well as an alternative that includes processing at Las
19 Flores Canyon.

20 Including the no-project with pressurized testing 12-15
21 alternative would, if for no other reason, provide
22 decision makers with additional information, tools as it
23 were, to address the repressurization issue with or
24 without this project now or in the future.

25 In conclusion, given that Get Oil Out's birth was

1 in the aftermath of the 1969 oil spill, we cannot under
2 emphasize the need for a very thorough evaluation of the
3 risks of an oil spill in this area with this equipment,
4 and the impacts of such an oil spill that would occur
5 right literally on our coast.

12-16

6 So again, we appreciate that opportunity to be
7 here today and if you have any questions, I'll be around.

8 PROJECT MANAGER GILLIES: Thank you, Carla.
9 Barbara Massey.

10 MS. MASSEY: Barbara Massey, M-a-s-s-e-y.

11 I agree with the previous speakers and only have
12 really a few comments to make. There should be a
13 discussion regarding the buildings and non- -- and use of
14 non-conforming facility. The EOF really should have been
15 closed years ago and been decommissioned at that time.

12-17

16 A site plan of the EOF with accurate drawings and
17 locations of the proposed modifications should be included
18 in the EIR. The seismic section of line 96 should be
19 included in the EIR not incorporated by reference. The
20 information would not be easily available to the public
21 otherwise.

12-18

22 The location of the piers makes them susceptible
23 to tsunamis. That's a hard thing to say in a row. Sorry
24 And this area has a high probability for earthquakes and
25 liquefaction.

12-19

1 Expanding use of the EOF and full protection at
2 Pier 421 creates a potential for increased health and
3 safety risks to the new housing, both at the bluffs and
4 now Haskell's Landing.

12-20

5 One final thing, the parking for construction
6 workers should be provided on site. Construction workers
7 should be prohibited from using the public lot at Bacara,
8 as currently is the case in the other construction
9 projects.

12-21

10 Thank you for the opportunity to speak today.

11 PROJECT MANAGER GILLIES: Thank you, Barbara.

12 Our last speaker is Dr. Ingborg Cox.

13 DR. COX: Which one -- this is not working? Is
14 this the one working?

15 (Laughter.)

16 DR. COX: Dr. Ingborg Cox, C-o-x. First name is
17 spelled I-n-g-b-o-r-g.

18 I want to find out why is the California State
19 Lands Commission allowing Venoco to do projects on a, in
20 essence, what I think is a piecemeal fashion?

21 This process minimizes and distorts the impacts
22 that the entire project will have on the citizens of
23 Goleta. Their request to reactivate PRC provides an
24 opportunity to review what has been done in the area and
25 what is planned for the future.

1 PRC 421 was constructed in 1928. The scope of
2 the new EIR should take into consideration all facilities
3 or appendages that are going to be connected with PRC 421
4 or 421-2. And these are the EOF, line 96, the new
5 pipeline, and the LFC terminal. The hydro testing being 12-22
6 proposed should have already been part of the regular
7 maintenance that Venoco must do. If the pipeline has not
8 been used since 1994, and has been shut down since then,
9 the hydro testing proposed should be done prior to any
10 permits being considered.

11 The new gas liquid cyclone separator subjects
12 fluids to hydraulic vortex and centrifugal force. If the
13 current pipelines are not built for these stresses, you 12-23
14 will have a big problem if crude oil gets released into
15 the environment. Hydro testing should be done prior to
16 the Draft EIR, then considered.

17 What happens if the whole line needs to be
18 changed? 12-24

19 According to the line 96 EIR, pipelines that
20 transport fluid from a well head to a treating facility,
21 which I understand is the case here, are under the 12-25
22 jurisdiction of the DOT. As the lead agency, is the
23 California State Lands Commission coordinating with the
24 DOT?

25 The inlet and outlet flow rates are computed and

1 compared by the programmable logic controller. Where is
2 this located? Who is in charge of inputting the data and
3 who analyzes and oversees that the data is correct?

12-26

4 Is this the DOT or the California State Lands
5 Commission?

6 Housing should not be eliminated from the
7 potential environmental impacts. If PRC 421, in any way,
8 is connected with the EOF, one needs to consider oil leak
9 type ruptures that affect the population and the
10 surrounding area.

12-27

11 What is the fresh water consumption going to be?

12 The monthly water consumption at the EOF is
13 300,000 gallons of fresh water per month. The projected
14 additional thousand barrels of water per day would trigger
15 water rationing for the citizens of Goleta.

16 Currently, Lake Cachuma is low. And in the news
17 yesterday, it was stated that the public would have to
18 begin conservation measures in the next years if the rain
19 does not materialize.

12-28

20 In considering this new project, the water effect
21 and usage needs to be carefully evaluated. If the public
22 has to ration, why is a new project being considered that
23 will use such large amounts of water?

24 Extending the life of a non-conforming facility
25 by connecting PRC 421 with the EOF should not be allowed.

12-29

1 I agree with the previous speakers.

2 I'm also aware of two cases of non-Hodgkin's
3 lymphoma of children that were living near the EMT. This
4 type of lymphoma is linked to benzene exposure. And in my
5 opinion, if we are going to be dealing with benzene, this
6 needs to be part of the analysis. The area surrounding
7 PRC 421 has abandoned perilous artifacts from prior oil
8 activity.

12-30

9 Venoco should be mandated to remove all these
10 abandoned artifacts located near their premises, and the
11 weakened walls that could collapse should be removed and
12 replaced. Tsunamis need also to be considered. An
13 earthquake that occurred on the coast of Point Arguello in
14 1927 initiated a Tsunami. Another one was in the
15 earthquake of 1812 along the Santa Barbara channel.

12-31

12-32

16 The calculated run-up of a tsunami going into
17 Bell Canyon includes the area that is currently occupied
18 by the EOF. I also support the zero emission standard.

12-33

19 Thank you.

20 PROJECT MANAGER GILLIES: Thank you, Dr. Cox.

21 That's it for the speakers. Does anybody else
22 want to speak?

23 Okay. As far as the schedule goes, the NOP is
24 still out for review. The close of the comment period is
25 April 29th, Monday of this month. So after we'll be

1 working with Amec Environmental to prepare the Draft EIR
2 for public review. We're hoping that would come out late
3 spring, early summer for 60-day review. And we'll be down
4 here again for public hearings on the document when that
5 comes out.

6 As I mentioned, this project is subject to a
7 joint review panel with the City of Goleta and Coastal
8 Commission. So they'll be reviewing the admin drafts
9 before it becomes circulated for public review.

10 And after that, we anticipate preparing a Final
11 EIR before the end of the year and getting it to our
12 Commission about that time or early next year 2014.

13 This project has been around awhile, and we just
14 want to get it to our Commission to get a decision on it.

15 So that's it. If nobody has anything else, we'll
16 go ahead and close the meeting.

17 Thank you for coming.

18 (Thereupon the meeting closed at 3:39 p.m.)

19 PROJECT MANAGER GILLIES: It's 6:15 and no one
20 from the public has arrived and we're going to go ahead
21 and close the meeting for the 6 o'clock session.

22 (Thereupon the meeting adjourned at 6:15 p.m.)
23
24
25

1 C E R T I F I C A T E O F R E P O R T E R

2 I, JAMES F. PETERS, a Certified Shorthand
3 Reporter of the State of California, and Registered
4 Professional Reporter, do hereby certify:

5 That I am a disinterested person herein; that the
6 foregoing California State Lands Commission public scoping
7 meeting was recorded electronically and reported in
8 shorthand by me, James F. Peters, a Certified Shorthand
9 Reporter of the State of California;

10 I further certify that I am not of counsel or
11 attorney for any of the parties to said meeting nor in any
12 way interested in the outcome of said meeting.

13 IN WITNESS WHEREOF, I have hereunto set my hand
14 this 12th day of April, 2013.

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21
22
23 JAMES F. PETERS, CSR, RPR
24 Certified Shorthand Reporter
25 License No. 10063

Supplementary Comments on Revised PRC 421 Decommissioning Project

From: Ingeborg Cox MD, MPH

Bell Canyon Creek impacts need to be considered since the proposed pipeline connecting to the Ellwood Onshore Facility will run near the area according to maps provided.

Bell Canyon Creek has been designated a riparian ESHA according to the California Coastal Commission.

ARTICLE 5 Section 30240: Environmentally sensitive habitat areas; adjacent development states:

“(a) Environmentally sensitive habitat areas shall be protected against any significant disruption of habitat values, and only uses dependent on those resources shall be allowed within those areas. “

“(b) Development in areas adjacent to environmentally sensitive habitat areas and parks and recreation areas shall be sited and designed to prevent impacts which would significantly degrade those areas, and shall be compatible with the continuance of those habitat and recreation areas.”

Bell Canyon Creek is also the home to several special status species including monarch butterflies, red legged frog and tidewater goby. As far as I know, both the red legged frog and tidewater goby are listed on state and federal Endangered Species Act.

Placement of the pipeline in proximity to an ESHA has the potential to devastate the ESHA if there is an underground leak or break in the pipeline. The consequences of these potential events have to be evaluated in the EIR.

Has the required buffer area of 100 feet been considered? When was the last time any water samples were taken from Bell Canyon Creek and analyzed to see if any contamination has occurred secondary to the EOF?

When Mr. David Sangster asked the SLC on Wednesday April 3, 2013 in the 3p.m. public input session if there was any more drilling going to be done on PRC 421, from what I understood the answer was in the negative and he was told that all drilling that was going to be done has been done.

Under the Wallover and Hyatt Findings Application 4-85-343 of the Coastal Commission “the entire beach frontage from the mean high tide line to the toe of the bluff will be dedicated as a public easement for beach use.”

Is the beach frontage in the area considered a public easement? If this is the case it should be taken to the citizens of Goleta for their input with several public meetings.

It has been at least 20 years since the first EIR evaluation of the whole PRC 421 project. In this time there has been a population expansion in the Ellwood/Winchester Canyon area of Goleta, which has shifted the local population west ward. Consequently the population and housing should NOT be eliminated of the EIR.

(more)

Considering the new, revised PRC 421 proposal recommendations to connect the pipeline to the EOF in my opinion undermines the County's long standing determination that the facility is a non conforming use.

Also if any fracking or slant drilling is planned for this project, this needs to be stated upfront and has to be analyzed extensively or prohibited.

Fracking uses large amounts of water and if there is the possibility of a water shortage, as I mentioned in my oral comments, this needs to be analyzed. What will happen if there is another drought like the prolonged Santa Barbara drought of 1945-1951? What happens if the underground water gets contaminated because of fracking or drilling?

Do not forget what has happened in Butler County, Pennsylvania where the citizens cannot use their own water because of the contamination.