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2 This Mitigated Negative Declaration (MND) has been prepared by the California State  
3 Lands Commission (CSLC), as lead agency under the California Environmental Quality  
4 Act (CEQA) (Pub. Resources Code, § 21000 et seq.) in order to analyze and disclose  
5 the potential environmental effects associated with the ExxonMobil Production  
6 Company (ExxonMobil or Applicant) Santa Ynez Unit (SYU) Offshore Power System  
7 Reliability-B Phase 2 Project (OPSR-B or Project). The proposed Project includes the  
8 installation and operation of replacement cables and electrical systems from the Las  
9 Flores Canyon Processing Facility (LFCPF) in Santa Barbara County to Outer  
10 Continental Shelf (OCS) Platforms Harmony and Heritage, and the retrieval of existing  
11 out-of-service cables from selected locations within the Project area (Figures ES-1 and  
12 ES-2). The CSLC would need to amend existing State Lease PRC 7163.1, a General  
13 Lease - Right-of-Way Use, to allow for Project implementation. This MND establishes  
14 the current environmental and regulatory setting, provides an analysis of Project-  
15 specific impacts, and includes recommended mitigation measures to reduce potential  
16 impacts of the Project to a less than significant level.

17 **ES.1 PROPOSED PROJECT**

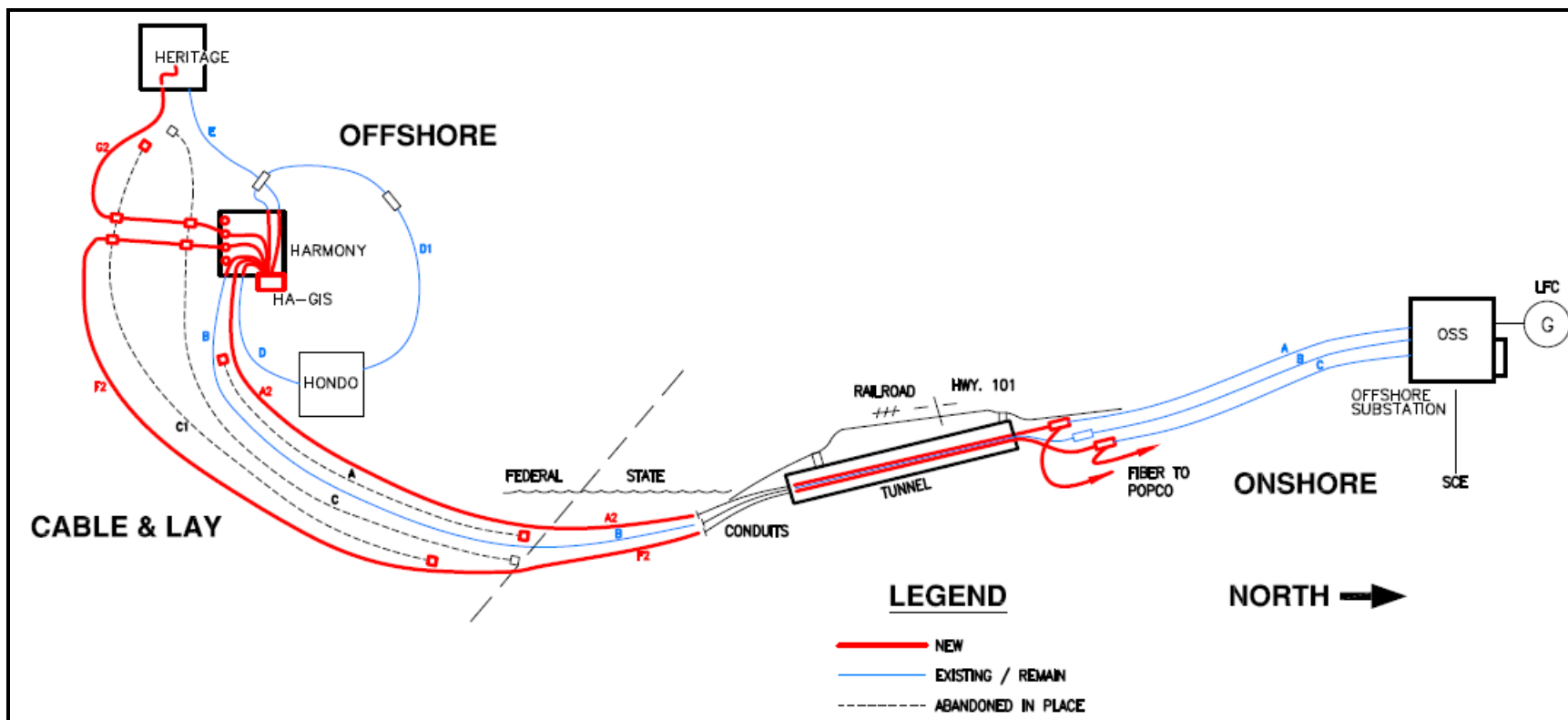
18 The OPSR-B has been divided into two phases: Phase 1, which has received its  
19 approvals and is currently ongoing (anticipated to be completed in April 2015); and  
20 Phase 2, which is analyzed in this MND.

21 Phase 1 is referred to in this MND as preparatory work required prior to Phase 2  
22 activities. It occurs exclusively in Federal waters and involves modifications at Platforms  
23 Harmony and Heritage for the replacement cables and electrical systems required for  
24 Phase 2 installation. As lead agency for the Phase 1 Project, the Bureau of Safety and  
25 Environmental Enforcement (BSEE): (1) prepared an Environmental Assessment (EA),  
26 which concluded that no significant impacts are anticipated as a result of Phase 1  
27 activities; and (2) issued, on April 18, 2013, a Finding of No Significant Impact (FONSI)  
28 for the Phase 1 Project.

29 Phase 2 involves the retrieval of existing Cables A (or B) and C1 from selected locations  
30 and installation of replacement Cables A2 (or B2), F2 and G2 (Table ES-1). The Project  
31 will use a primary cable installation vessel (CIV), which will be dynamically positioned  
32 and will not require the use of anchors. Several contingency scenarios have been  
33 included in case one of the existing out-of-service cables cannot be removed from, or a  
34 replacement cable cannot be installed into, a conduit or platform riser (i.e., Cable F2 at  
35 nearshore conduit, Cable G2 at Platform Heritage riser, Cable A2 (or B2) at nearshore  
36 conduit and at Platform Harmony riser). The decision on whether Cable A or B will be  
37 replaced will be based on a detailed analysis of the condition of each cable prior to  
38 installation.



Figure ES-1. Project Location



Red Cables A2 (or B2), F2 & G2 will be installed replacement cables. Blue Cables B (or A), D, D1, & E are existing cables that will remain in operation. Black dashed Cables A (or B), C1 & C will be abandoned in place. Cables A (or B) & C1 will be retrieved in tunnel, conduits, State waters and adjacent to platforms.

**Figure ES-2. Proposed Project Components**

**Table ES-1. Project Components**

Cable	Cable Route	Status
ORIGINAL/EXISTING		
A	Between LFCPF and Platform Harmony*	Original
B	Between LFCPF and Platform Harmony	Original; repaired in 2013
C	Between LFCPF and Platform Heritage*	Original; replaced in 2003 with Cable C1
C1	Between LFCPF and Platform Heritage	Replaced Cable C in 2003; subsequently repaired twice
D	Between Platforms Harmony and Hondo	Original
D1	Between Platforms Harmony and Hondo	Installed in 2003 to improve reliability
E	Between Platforms Harmony and Heritage	Original
PROPOSED		
A2 or B2	Between LFCPF and Platform Harmony	
F2	Between LFCPF and Platform Harmony	
G2	Between Platforms Harmony and Heritage (Federal waters only)	

\* Water depths at Platforms Harmony and Heritage are 1,198 feet and 1,075 feet, respectively.

- 1 Phase 2 would require the following primary components:
- 2     • Pre-Project preparation activities: Pre-retrieval/removal surveys - soil, marine,
- 3         biological, and anchor locations; Installation aids and kelp cutting.
- 4     • Vessel mobilization.
- 5     • Retrieval of out-of-service cable at LFCPF (onshore) and offshore locations.
- 6         ○ Prepare the onshore area, tunnel, and nearshore conduits to retrieve
- 7             Cable C1 and Cable A [or B] from an onshore point at the southern end of
- 8             the LFCPF to just beyond the State-Federal jurisdictional boundary
- 9             (approximately at the OCS break).
- 10         ○ Retrieve approximately 10.6 miles (17.1 kilometer [km]) of Cable C1 and A
- 11             (or B). This includes removal of existing concrete blocks where the Project
- 12             right-of-way crosses the Pacific Offshore Pipeline Company (POPCO) gas
- 13             pipeline (POPCO crossing).
- 14         ○ Retrieve a 1- to 6-mile-long (1.6 to 9.6 km) section of Cable A (or B) at
- 15             and adjacent to Platform Harmony. Due to the restricted route available for
- 16             installing the replacement cable, an additional section of Cable A (or B)
- 17             may have to be retrieved from the State-Federal boundary to the platform.
- 18         ○ Retrieve 1 to 2 miles (1.6 to 3.2 km) of Cable C1 at, and adjacent to,
- 19             Platform Heritage.

- 1 • Cable replacement at LFCPF (onshore) and offshore locations.
  - 2 ○ Install approximately 10.6 miles (17.1 km) of replacement Cable A2 (or
  - 3 B2) between Platform Harmony and the southern end of the LFCPF. This
  - 4 includes placement of concrete blocks or articulated concrete mats at the
  - 5 POPCO crossing.
  - 6 ○ Install approximately 11.3 miles (18.2 km) of replacement Cable F2
  - 7 between Platform Harmony and the southern end of the LFCPF. This
  - 8 includes the placement of concrete blocks or articulated concrete mats at
  - 9 the POPCO crossing area.
  - 10 ○ Install approximately 8.1 miles (13.0 km) of replacement Cable G2
  - 11 between Platform Harmony and Platform Heritage.
- 12 • Cable execution contingencies (if necessary).
- 13 • Testing and energization of the cables.
- 14 • Post-installation marine biological survey.

15 ExxonMobil estimates that the Project will require approximately 8 to 12 months to  
16 complete. The Phase 2 onshore cable retrieval and installation activities are expected to  
17 commence in or about the fourth quarter of 2014 and be completed by about early  
18 fourth quarter 2015. The offshore cable retrieval and installation portion of Phase 2 is  
19 expected to require 1 to 2 months and be conducted during mid to late 2015.

## ES.2 BACKGROUND/EXISTING CONDITIONS

20 As part of the SYU Expansion Project in the early 1990s, Platforms Harmony, Heritage,  
21 and Hondo were required to use shore-based electric power. As such, the electrical  
22 power distribution systems for the platforms were installed. The systems consisted of an  
23 Offshore Substation (OSS) located at the LFCPF and three power cables from the  
24 substation going offshore; two to Platform Harmony (Cables A and B) and one to  
25 Platform Heritage (Cable C). In addition, power cables were installed from Platform  
26 Harmony to Platform Hondo (Cable D) and to Platform Heritage (Cable E). The  
27 installation also included the associated electrical equipment at each facility. Once the  
28 electrical distribution system was energized, the SYU offshore operations became  
29 completely reliant on these systems for all normal operations.

30 In 1999, Cable C experienced a failure in State waters that could not be repaired. The  
31 SYU Offshore Power System Repair-A Project (OPSR-A) replaced Cable C with Cable  
32 C1 in 2003 and installed Cable D1 between Platforms Harmony and Hondo to improve  
33 reliability. Since Cable C1 was installed, the cable has failed, and was repaired and  
34 returned to service, twice. In May 2013, Cable B failed at a splice in the onshore section  
35 of that cable near the southern end of the LFCPF. After approvals were received from

1 Santa Barbara County (SBC) in June 2013, the failed section of Cable B was removed  
2 and a section of spare cable was spliced into the existing cable. The repaired Cable B  
3 was tested and returned to service in July 2013.

4 The reliability of the current offshore power distribution system requires improvement  
5 due to aging of existing individual circuits, history of submarine cable faults in the  
6 distribution system, and the obsolescence of offshore switchgear and electrical  
7 components. The Project will improve the reliability of electricity distribution from shore  
8 to, and between, the platforms.

9 CSLC actions that relate to Lease No. PRC 7163.1 and the Project are as follows.

- 10 • On January 21, 1988, the CSLC authorized the issuance of a General Lease —  
11 Right-of-Way Use to Exxon Corporation (now known as the ExxonMobil  
12 Production Company) for a crude oil/water emulsion pipeline, a treated water  
13 outfall line and three power cables (A, B and C) associated with the SYU in the  
14 Santa Barbara Channel.
- 15 • On February 21, 2003, the CSLC authorized an amendment to the Lease for the  
16 removal of the failed Cable C and installation of Cable C1 within State waters.
- 17 • On August 30, 2013, ExxonMobil submitted an application to the CSLC  
18 requesting an amendment to the existing lease to allow for Project  
19 implementation.

### 20 **ES.3 PUBLIC REVIEW AND COMMENT**

21 Pursuant to State CEQA Guidelines sections 15072 and 15073, a lead agency must  
22 issue an MND in draft form for a minimum 30-day public review period. Agencies and  
23 the public will have the opportunity to review and comment on the draft document.  
24 Responses to written comments received by the CSLC during the public review period  
25 will be incorporated into the Final MND. In accordance with State CEQA Guidelines  
26 section 15074, subdivision (b), the CSLC will review and consider the proposed Final  
27 MND, together with any comments received during the public review process, prior to  
28 taking action on the MND and Project.

### 29 **ES.4 ENVIRONMENTAL IMPACTS AND PROPOSED MITIGATION MEASURES**

30 Table ES-2 provides a summary of environmental resource areas that would have the  
31 potential to be affected by the proposed Phase 2 Project. Table ES-3 provides a list of  
32 Mitigation Measures incorporated into the Project to reduce or avoid potentially  
33 significant impacts as further described within Section 5.0, Mitigation Monitoring  
34 Program. As discussed further in Section 3.0 (Environmental Analysis and Checklist),  
35 with implementation of the proposed Mitigation Measures, all Project-related impacts  
36 would be reduced to less than significant.

**Table ES-2. Environmental Issues and Potentially Significant Impacts**

<input checked="" type="checkbox"/> Aesthetics	<input type="checkbox"/> Agriculture and Forest Resources	<input checked="" type="checkbox"/> Air Quality
<input checked="" type="checkbox"/> Biological Resources (Terrestrial and Marine)	<input checked="" type="checkbox"/> Cultural Resources	<input checked="" type="checkbox"/> Geology and Soils
<input checked="" type="checkbox"/> Greenhouse Gas Emissions	<input checked="" type="checkbox"/> Hazards and Hazardous Materials	<input checked="" type="checkbox"/> Hydrology and Water Quality
<input checked="" type="checkbox"/> Land Use and Planning	<input type="checkbox"/> Mineral Resources	<input type="checkbox"/> Noise
<input type="checkbox"/> Population and Housing	<input type="checkbox"/> Public Services	<input checked="" type="checkbox"/> Recreation
<input checked="" type="checkbox"/> Transportation/Traffic	<input checked="" type="checkbox"/> Utilities and Service Systems	
<input checked="" type="checkbox"/> Mandatory Findings of Significance		
<input checked="" type="checkbox"/> Other Major Areas of Concern: Commercial Fishing and Environmental Justice		

**Table ES-3. Summary of Proposed Project Mitigation Measures/Applicant Proposed Measures (MMs/APMs)**

<b>Aesthetics</b>
MM VIS-1: Glare Minimization
<b>Air Quality/Greenhouse Gas Emissions</b>
MM AQ-1: Emissions Reporting Plan
MM AQ-2: Low-Sulfur Fuels
MM AQ-3: Construction Emissions Reduction
MM AQ-4: Dust Control Measures
<b>Biological Resources</b>
MM TBIO-1: Terrestrial Wildlife Awareness Training
MM TBIO-2: Breeding/Nesting Bird Protection
MM MBIO-1a: Pre-Construction Marine Biological Survey
MM MBIO-1b: Anchoring Plan
MM MBIO-2: Site Access
MM MBIO-3a: Cable Installation and Retrieval
MM MBIO-3b: Post-Project Survey
MM MBIO-3c: Post-Project Technical Report
MM MBIO-4: Excavated Sand Disposal (Conduit)
MM MBIO-5: Abalone Avoidance
MM MBIO-6: Marine Wildlife Monitoring and Contingency Plan (MWMCP)
MM MBIO-7: Offshore Vessel Lighting
<b>Cultural and Paleontological Resources</b>
MM CUL-1: Avoidance of Offshore Cultural Resources.
MM CUL-2: Avoidance of Onshore Cultural Resources.
<b>Geology and Soils</b>

MM GEO-1:	Engineering Design
<b>Hazards and Hazardous Materials</b>	
MM HAZ-1:	Use and Storage of Lubricating Oils, Hydraulic Fluids, and Waste Oils
MM HAZ-2:	Loading of Project Materials
MM HAZ-3:	Fueling Measure
MM HAZ-4:	Anchor Setback
MM HAZ-5:	Critical Operations and Curtailment Plan (COCP)
MM HAZ-6:	Cable Release Prevention Plan
MM HAZ-7:	Oil Spill Response Plan (OSRP)
MM HAZ-8:	Oil Spill Response Plan (OSRP) Training
MM HAZ-9:	Safety Plan for Tunnel Cable Installation and Removal Operations
MM HAZ-10:	Execution Plan
MM HAZ-11:	Cable Pulling Operations
<b>Hydrology and Water Quality</b>	
MM WQ-1:	Conduit Flushing
MM WQ-2:	Stormwater Pollution Prevention Plan (SWPPP)
<b>Mineral Resources</b>	
APM MIN-1:	Coordination with California Department of Conservation, Division of Oil, Gas, and Geothermal Resources (DOGGR)
<b>Recreation</b>	
MM REC-1:	Recreation Public Safety Measures
MM REC-2:	Pre- and Post-Construction Inspections
<b>Transportation/Traffic</b>	
MM TRANS-1:	Notice to Mariners
MM TRANS-2:	Vessel Traffic Corridors
<b>Utilities and Service Systems</b>	
MM WASTE-1:	Recycling Feasibility Analysis
<b>Commercial Fishing</b>	
MM CF-1:	Commercial Fishery Constraints