

April 4, 2025

**Agenda Items
Th8.1, 8.2, & 8.3**

VIA EMAIL

Chair Cummings and Honorable Commissioners
California Coastal Commission
455 Market Street, Suite 300
San Francisco, CA 94105

355 South Grand Avenue, Suite 100
Los Angeles, California 90071-1560
Tel: +1.213.485.1234 Fax: +1.213.891.8763
www.lw.com

FIRM / AFFILIATE OFFICES

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

Re: April 10, 2025, Meeting Agenda Items Th8.1, 8.2, & 8.3: Sable Offshore Corp.,
Cease and Desist Order No. CCC-25-CD-01, Restoration Order No. CCC-25-RO-
01, and Administrative Penalty Order No. CCC-25-AP3-01

Dear Chair Cummings and Honorable Commissioners:

On behalf of our client, Sable Offshore Corp. (“Sable”), we write in response to Coastal Commission staff’s March 28, 2025, Staff Report recommending that the Commission issue Cease and Desist Order No. CCC-25-CD-01, Restoration Order No. CCC-25-RO-01, and Administrative Penalty Order No. CCC-25-AP3-01 (“Proposed Orders”). The Staff Report discusses Sable’s (i) work along portions of Las Flores Pipelines CA-324 and CA-325 (collectively, the “Onshore Pipelines”) located in unincorporated Santa Barbara County (“County”) to conduct repair and maintenance activities required under applicable federal regulations (“Anomaly Repair Work”) and install safety valves required under state law (“Safety Valve Installation Work”), and (ii) span remediation maintenance activities (“Span Remediation Work”) on Santa Ynez Unit (“SYU”) pipelines located in state waters offshore of the County’s Gaviota Coast (collectively, the “Offshore Pipelines”).¹ This response includes Attachment A, a detailed response to the Staff Report, and Attachment B, additional comments on the specific content within the Proposed Orders.

Sable disagrees vehemently with the Staff Report’s claims that Sable’s maintenance and repair work on its existing facilities were unauthorized and resulted in significant harms to coastal resources. Notably, the Staff Report buries and disregards the three most important facts in this proceeding that entirely undercut the Staff Report’s exaggerated claims:

- (1) All of the work on the Onshore Pipelines – the location where substantially all of the alleged violations occurred – is within the County’s delegated Local Coastal Program permitting authority, and the **County expressly allowed Sable to perform the work**

¹ All defined terms utilized herein shall have the same meaning ascribed to such terms in Sable’s March 10, 2025 “Statement of Defense,” and to the extent any conflict exists between the use of such terms in this letter and the definitions provided in the Statement of Defense, the definition provided in the Statement of Defense shall control. Sable’s Statement of Defense is attached as Exhibits 58-59 to the “Staff Report: Recommendations and Findings for Cease and Desist Order, Restoration Order, and Administrative Civil Penalty” (Mar. 28, 2025) (“Staff Report”).

because the County confirmed it is authorized under the Onshore Pipelines' existing approvals – including prior County-issued coastal development permits.

- (2) Sable's work consisted entirely of maintenance and repair activities on existing facilities in disturbed corridors where **substantially identical work has taken place over the past 30 years without the need for new Coastal Act authorizations.**
- (3) Because the repair and maintenance work occurred in disturbed areas, and Sable implemented best management practices consistent with prior environmental analyses and other agency approvals, **potential impacts to Coastal resources were de minimis and substantially less than the Staff Report alleges.**

As explained more fully in Attachment A, and in Sable's March 10, 2025 "Statement of Defense," Sable's Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work do not constitute violations of the County's Coastal Zoning Ordinance, Local Coastal Program, or the Coastal Act. Each of Sable's repair and maintenance activities were fully authorized by coastal development permits previously approved by either the County or the Commission. The County expressly confirmed that Sable's Anomaly Repair Work is consistent with and authorized by the Onshore Pipelines' existing coastal development permits CDP 86-CDP-189 and 86-CDP-205 and that no further Coastal Act authorization is required. Similarly, Sable performed the Safety Valve Installation Work only after receiving confirmation from the County that no further authorization was required. Finally, Sable's Span Remediation Work was contemplated and authorized by the Offshore Pipelines' coastal development permit CDP E-88-1, and involves the exact same span remediation activities that have been performed in the past on these same Offshore Pipelines without requiring any new Coastal Act authorizations.

In addition to these unfounded allegations of unpermitted development, the Staff Report also asserts that Sable acted with intentional disregard by "outright refus[ing] to comply with the Coastal Act." This is incorrect. Once Commission staff raised its initial concerns about Sable's Coastal Act compliance, Sable diligently confirmed that all work already had Coastal Act authorization. This included stopping necessary repair and maintenance work on its facilities for over four months while it waited for that confirmation from the County. While it is clear from the Staff Report that Commission staff disagree with the County's authorizations for Sable's repair work to its Onshore Pipelines, that is a dispute between the Commission and the County. Regardless, the Coastal Act does not permit the Commission to usurp the delegated local permitting authority afforded to the County through its certified Local Coastal Program simply because Commission staff might reach a different conclusion.

Moreover, the Staff Report's characterizations of the potential impacts of Sable's work are not only exaggerated but also misleading. Sable disputes the Staff Report's unsupported claims regarding adverse impacts to coastal resources resulting from the Anomaly Repair Work, Safety Valve Installation Work, or Span Remediation Work. All of the work occurred within the pipelines' already-disturbed rights-of-way, where impacts of ongoing repair and maintenance activities were analyzed by prior approvals. The Onshore Pipelines' approvals, including its California Environmental Quality Act ("CEQA") analysis specifically confirmed that habitat impacts would be permanent within the pipeline corridor due to ongoing repair and maintenance

LATHAM & WATKINS LLP

work during the pipelines' operational lifetime. Sable also implemented best management practices to ensure that impacts to the environment were minimized consistent with the previous environmental analyses and approvals. Subsequent ecological analyses confirmed that impacts resulting from both the Anomaly Repair Work and Safety Valve Installation Work remained within the scope of impacts previously analyzed and approved by the County. The offshore Span Remediation Work likewise did not adversely affect coastal resources due to the *de minimis* nature of the work (less than 0.07 acre disturbed). Therefore, the Staff Report's portrayal of significant environmental impacts is a gross misrepresentation. As a result, the Staff Report's proposed penalties are unjustified and wildly disproportionate to the actual, minimal impacts observed.

Regardless of the significant interest in the restart of the SYU, the Commission does not have jurisdiction over Sable's already permitted maintenance and repair activities on the Onshore and Offshore Pipelines. Therefore, the Commission should reject the Staff Report's recommendation and refrain from issuing the Proposed Orders. And, if despite Sable's reliance on its existing and valid permits the Commission chooses to issue the Proposed Orders, the penalties should be eliminated or otherwise drastically reduced to reflect the true nature of the work, its minimal impact, and the fact that the County expressly authorized all of the work on the Onshore Pipelines.

By submitting these materials, Sable does not concede that the Coastal Commission possesses the authority either to issue the Proposed Orders or undertake any enforcement proceedings regarding the above-referenced work.

Very truly yours,



Duncan Joseph Moore
of LATHAM & WATKINS LLP

Enclosures

cc: Kate Huckelbridge, California Coastal Commission
Lisa Haage, California Coastal Commission
Alex Helperin, California Coastal Commission
Stephanie Cook, California Coastal Commission
Lisa Plowman, County of Santa Barbara
Errin Briggs, County of Santa Barbara
Jenna Richardson, County of Santa Barbara
Anthony Duenner, Sable Offshore Corp.
Carolyn Bertrand, Sable Offshore Corp.
Lee Alcock, Sable Offshore Corp.
Steve Rusch, Sable Offshore Corp.
Lauren Paull, Latham & Watkins LLP

These Materials Have Been Provided to Coastal Commission Staff

ATTACHMENT A
RESPONSE TO THE STAFF REPORT

CONTENTS

	Page
Responses to “Summary of Staff Recommendations”	6
Responses to “Introduction”	6
Responses to “Background”	7
Responses to “Violation Description”	8
Responses to “Initial Enforcement Actions”	16
Responses to “Proposed Resolution”	18
I. Responses to “Motions and Resolutions”	18
II. Responses to “Hearing Procedures”	18
III. Responses to “Findings for Cease and Desist Order, Restoration Order, and Issuance of Administrative Penalties”	18
A. Responses to “Description of Property”	18
B. Responses to “Description of Coastal Act Violations”	18
C. Responses to “Enforcement Activities and Attempts at Resolution”	19
IV. Responses to “Basis for Issuing Cease and Desist Order”	22
A. Responses to “Statutory Provision”	22
B. Responses to “Jurisdiction”	22
C. Responses to “Application to Facts”	22
V. Responses to “Basis for Issuance of Restoration Order”	24
A. Responses to “Statutory Provision”	24
B. Responses to “Application of Facts”	24
C. Responses to “Jurisdiction”	25
VI. Responses to “Basis for Imposition of Administrative Penalties”	26
A. Responses to “Statutory Provisions”	26
B. Responses to “Application to the Facts”	26
C. Responses to “Penalty Amount”	26
VII. Responses to “Defenses Alleged and Responses Thereto”	38
A. Responses to “Summary”	38

LATHAM & WATKINS LLP

B.	Responses to “Documents on Which Sable Relies for its Pre-Authorization Argument”	39
C.	Responses to “Other Themes in Sable’s SOD”	48
D.	Responses to “Additional Arguments”	49

This Attachment A includes responses to each substantive section of the Staff Report containing any characterizations of these proceedings or allegations related to Sable’s Anomaly Repair Work, Safety Valve Installation Work, or offshore Span Remediation Work. These responses are organized in the order of how they are presented in the Staff Report, with each section header below corresponding to the same section of the Report. As further described herein, none of Sable’s activities described in the Staff Report constitute violations of the CZO, LCP, or the Coastal Act and Sable’s activities are fully authorized by coastal development permits previously approved by either the County or the Commission. As such, none of the Proposed Orders are warranted and Sable disagrees with the Staff Report’s allegations and contends they are not supported by applicable law.

RESPONSES TO “SUMMARY OF STAFF RECOMMENDATIONS” (Staff Report, pp. 1-11)

Responses to “Introduction” (Staff Report, pp. 2-3)

Topical Response 1: General Allegation of Coastal Act Violations. The Staff Report asserts that Sable’s work has resulted in violations of the Coastal Act and an “outright refusal to comply with the Coastal Act.” To the contrary, Sable’s Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work do not constitute violations of the County’s CZO, LCP, or the Coastal Act and Sable has worked to ensure that its work complies with prior permits lawfully issued under the Coastal Act and therefore the Coastal Act itself. More specifically, each of Sable’s repair and maintenance activities were fully authorized by coastal development permits previously approved by either the County or the Commission. The County expressly confirmed that Sable’s Anomaly Repair Work is consistent with and authorized by the Onshore Pipelines’ existing coastal development permits CDP 86-CDP-189 and 86-CDP-205 (the “Onshore CDPs”) and that no further Coastal Act authorization is required for such work.² Similarly, Sable performed the Safety Valve Installation Work only after receiving confirmation from the County, which possesses delegated LCP authority under the Coastal Act, that no further authorization from the County was required.³ Finally, Sable’s Span Remediation Work was contemplated and authorized by the Offshore Pipelines’ coastal development permit E-88-1 (“Offshore CDP”) and involves the exact same span remediation activity that has been performed in the past on these same Offshore Pipelines without requiring any new Coastal Act authorizations.⁴

Topical Response 2: General Allegation of Adverse Environmental Impacts. Sable disputes the Staff Report’s unsupported claims regarding adverse impacts to coastal resources resulting from the Anomaly Repair Work, Safety Valve Installation Work, or Span Remediation Work. The onshore work occurred within the Onshore Pipelines’ already-disturbed right-of-

² See Statement of Defense, pp. 20-24.

³ See Statement of Defense, pp. 33-36.

⁴ See Statement of Defense, pp. 43-51.

way, where the Onshore Pipelines' Environmental Impact Report/Environmental Impact Statement ("Onshore EIR/EIS") and the County's prior approvals concluded that impacts to biological resources and coastal resources would be *permanent* given the need for ongoing repair and maintenance activities along the Onshore Pipelines' operational corridor.⁵ Subsequent ecological analyses confirmed that impacts resulting from both the Anomaly Repair Work and Safety Valve Installation Work remained within the scope of impacts previously analyzed and approved by the County.⁶ (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts*.) The offshore Span Remediation Work likewise did not adversely affect coastal resources due to the *de minimis* nature of the work, which occurred in the already disturbed Offshore Pipeline right-of-way, and Sable's incorporation of environmental protection measures.⁷ (See *Topical Response 26: Allegations Regarding Potential for Adverse Impacts from Span Remediation Work*.)

Responses to "Background" (Staff Report, pp. 3-4)

Topical Response 3: Alleged Failure to Provide Information and Stop Work Under 2024 NOV. The Staff Report's assertion that Sable "refused to suspend" and "carried out" the Anomaly Repair Work and Safety Valve Installation Work "in direct violation of several Notice of Violation and Notice of Intent letters, and in direct violation of Commission staff warnings and even a formal Cease and Desist Order" is incorrect. Sable substantially completed the Safety Valve Installation Work prior to receiving Commission staff's September 27, 2024, Notice of Violation No. V-9-24-0152 ("2024 NOV"). By that date, all excavations at the safety valve sites had been completed, the safety valves had been installed, and the sites had been backfilled—therefore, Staff's statements that the Safety Valve Installation Work was carried out in direct violation of Commission staff warnings is not accurate. Regarding the Anomaly Repair Work, Sable suspended all ongoing Anomaly Repair Work upon receiving the 2024 NOV and subsequent letter from Commission staff dated October 4, 2024 ("October 4 Letter"). The October 4 Letter included several informational requests including requests for: 1) detailed descriptions regarding any proposed interim measures necessary to secure ongoing work sites; and 2) locations and types of work taken along the Onshore Pipelines before the 2024 NOV and October 4 Letter were received. Sable responded to the October 4 Letter's informational requests with detailed work descriptions, locations, and proposals for necessary interim work to secure each site on October 8, 2024. On October 11, 2024, Sable provided supplementary mapping depicting ongoing work sites. As such, and contrary to the Staff Report's assertions, Sable responded to the 2024 NOV and October 4 Letter's informational requirements in a timely manner.

Topical Response 4: Allegations Regarding Staff's Issuance of 2024 EDCDO. The Staff Report entirely omits that on October 22, 2024, Sable submitted a written request asking that Commission staff authorize it to complete interim restoration work to alleviate the risk of immediate environmental harm resulting from anomaly repair sites left open and exposed due to Sable's work stoppage in compliance with the 2024 NOV and October 4 Letter. Sable and

⁵ See Statement of Defense, pp. 17-18.

⁶ See Statement of Defense, pp. 17-18.

⁷ See Statement of Defense, pp. 56-62.

Commission staff both shared concerns regarding the immediate harm to the environment that could result from having excavated sites remain open, particularly in light of the then-impending rainy season. Accordingly, on November 12, 2024, Commission staff issued Executive Director Cease and Desist Order ED 24-CD-02 (“2024 EDCDO”), which allowed for Sable’s preparation of an Interim Restoration Plan, to be approved by Commission staff, in order to give Sable authorization to backfill and restore any open excavation sites. Sable worked cooperatively with Commission staff to prepare and implement the Interim Restoration Plan to resolve risks of immediate environmental harm from open excavation sites in compliance with the 2024 EDCDO.⁸

Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work. Importantly, once Sable performed all of the restoration activities authorized by the Interim Restoration Plan, Sable did not undertake any further Anomaly Repair Work until February 14, 2025. Sable recommenced its Anomaly Repair Work only after receiving written confirmation from the County on February 12, 2025, that such work was analyzed under the Onshore EIR/EIS, authorized by the Onshore CDPs, and therefore required no further Coastal Act authorization.⁹ The Staff Report alleges that the County has not provided citations or evidence to support its conclusion, but the County is under no obligation to the Commission to do so. Commission staff disagrees with the County’s conclusion, but that disagreement does not mean that the County “declined” to exercise its delegated LCP authority under the Coastal Act sufficient to trigger the Executive Director or the Commission’s authority to issue a cease and desist order with respect to the Anomaly Repair Work under Sections 30809 or 30810 of the Coastal Act. The Coastal Act does not vest the Coastal Commission or Commission staff with the authority to undo the County’s interpretation of its own, lawfully issued coastal development permit. Here, the County interpreted a coastal development permit issued by the County – not the Commission – and confirmed that the County’s permit authorized Sable’s work with no need for any additional Coastal Act or other County permits. As such, and as addressed at length in Sable’s Statement of Defense, the Executive Director lacked the authority to issue Executive Director Cease and Desist Order No. ED-25-CD-01 (“2025 EDCDO”), and Sable’s recommencement of the Anomaly Repair Work consistent with the County’s confirmation does not constitute a violation of the Coastal Act.¹⁰

Responses to “Violation Description” (Staff Report, pp. 4-7)

The Staff Report repeats its allegation that Sable’s Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work constitute violations of the Coastal Act. As described above, this work did not result in violations of the County’s CZO, LCP, or the Coastal Act. (See *Topical Response 1: General Allegation of Coastal Act Violations*.) The Staff Report levels a number of additional allegations regarding such work. This section responds to each such allegation.

⁸ See Statement of Defense, p. 9.

⁹ See Statement of Defense, pp. 20-24.

¹⁰ See Statement of Defense, pp. 24-25.

Onshore Allegations

By way of background, the State Lands Commission and federal Department of the Interior prepared the Onshore EIR/EIS for the construction, operation, and maintenance of the Onshore Pipelines in 1985.¹¹ After reviewing the Onshore EIR/EIS, the County Planning Commission approved the Pipeline Project Final Development Plan (“FDP”) (Case # 85-DP-66cz) and Major Conditional Use Permit (“CUP”) (Case # 83-CP-97cz) on February 18, 1986. Consistent with the Onshore Pipelines’ FDP approval, the County issued Coastal Development Permit CDP 86-CDP-189 for the Pipeline Project on July 27, 1986. Then, on August 5, 1986, the County issued Coastal Development Permit CDP 86-CDP-205 for the “[r]emainder of all construction activities for the Celeron Pipeline [P]roject as approved by 85-DP-66cz.” CDP 86-CDP-189 and CDP 86-CDP-205 are collectively referred to herein and in Sable’s Statement of Defense as the “Onshore CDPs.”¹²

Topical Response 6: Multiple Alleged Onshore Violations of the Coastal Act. The Staff Report artificially divides the Anomaly Repair Work and Safety Valve Installation Work into seven discrete components and defines each as separate “violations” of the Coastal Act. The Staff Report’s approach is unsupported. As Sable has explained, both the Anomaly Repair Work and Safety Valve Installation Work necessarily involve accessing the pipeline, removal of surrounding vegetation, excavation of the targeted pipeline segment, dewatering where necessary, and exposing the targeted pipeline segment in order to complete the anomaly repair or valve installation.¹³ Staff offers no justification for treating these steps as independent Coastal Act violations.

Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering. Sable disputes the Staff Report’s assertion that it engaged in grading and widening of roads. Not so. Sable accessed anomaly repair and safety valve installation sites by utilizing existing access roadways. Sable also disagrees that placing metal grates over water courses constitutes an independent violation of the Coastal Act. Metal grates were used over low points located on existing access roads as an environmentally protective measure. Other drivers use these low points without any protection and Sable added the metal grates to reduce impacts to these access road low points. Moreover, placing metal grates over water courses and dewatering are both temporary measures, which occurred in limited locations, and only for brief periods of time. As such, neither measure could constitute an ongoing violation of the Coastal Act that causes continuing damage to coastal resources.

Topical Response 8: Alleged Violations Related to Pipeline Safety. The Commission lacks jurisdiction over “pipeline removal, replacement, and reinforcement” or the “installation of safety valves” sufficient for such activities to constitute violations of the Coastal Act. These allegations relate to the structure of the pipeline itself and what is required to keep the pipeline safe. Federal law preempts any local or state regulation regarding pipeline safety, and any state or local regulations that interfere with Sable’s ability to complete the Anomaly Repair Work are

¹¹ See Statement of Defense, p. 13.

¹² See Statement of Defense, pp. 8-9.

¹³ See Statement of Defense, pp. 12, 36-37.

preempted.¹⁴ Similarly, Sable was required to complete the Safety Valve Installation Work pursuant to Assembly Bill 864 (“AB 864”) and the Office of the State Fire Marshal, which possesses exclusive jurisdiction over pipeline safety in California. As such, any state or local regulations that interfere with Sable’s ability to install safety valves as required under AB 864 also are preempted.¹⁵

Topical Response 9: Allegations Regarding Sable’s Submissions to the County. Sable disputes the Staff Report’s assertion that Sable “repeatedly declined requests from Commission staff to provide project plans and detailed information” about its Anomaly Repair Work. To the contrary, Sable has provided Commission staff with the same detailed information regarding its Anomaly Repair Work that Sable separately provided to the County for its review as the delegated LCP authority under the Coastal Act. The information submitted by Sable was consistent with what would have been required for a Zoning Clearance under the County’s CZO and allowed the County to review the work for compliance with the Onshore Pipelines’ Conditions of Approval, FDP, CUP, and the Onshore CDPs.¹⁶ Staff appears to take issue with the fact that “full-scale project plans” were not provided; however, full scale project plans are not necessary or practical in the pipeline repair context because the type of repairs required are based on conditions uncovered in the field.¹⁷ Significantly, the County found the level of detail provided by Sable to be sufficient to evaluate Sable’s Anomaly Repair Work under its LCP permitting authority.

Topical Response 10: The County’s Review of Sable’s Onshore Work. On the basis of the detailed information Sable submitted to the County concerning the Anomaly Repair Work, the County confirmed on February 12 and March 21, 2025, that Sable’s Anomaly Repair Work was “contemplated, analyzed, and approved in the [Onshore Pipelines’] existing Final Development Plan, Major Conditional Use Permit, and associated Coastal Development Permits,” “analyzed in the prior Environmental Impact Report/Environmental Impact Statement,” and therefore requires “no further application to or action by the County.”¹⁸ The Safety Valve Installation Work, which requires similar (and in some cases less) construction disturbance as other authorized repair and maintenance activities, including the Anomaly Repair Work, similarly falls within the scope of the Onshore Pipelines’ environmental review and the Onshore CDPs. Sable undertook the Safety Valve Installation Work only after having received confirmation from the County on September 4, 2024, that the County does not have permit authority or jurisdiction over the work. In order to clarify for Commission staff whether the County’s confirmation involved an exercise of its delegated LCP authority, Sable submitted additional materials to the County on March 28, 2025, regarding the Safety Valve Installation Work that the County is in the process of reviewing.

¹⁴ See Statement of Defense, pp. 28-29.

¹⁵ See Statement of Defense, pp. 41-42.

¹⁶ See Statement of Defense, pp. 20-24.

¹⁷ See Coastal Commission, [Staff Report](#) for CDP Application No. 9-21-0083 (Oct. 28, 2021) (recommending approval of PG&E’s plans to “remov[e] high pressure regulators and insert[] new pipeline segments” along a natural gas pipeline without full-scale project plans and based solely on a high-level map of proposed work locations provided in [Ex. 1](#)).

¹⁸ Statement of Defense, p. 20-24 (quoting Document No. 84, County, Letter re: Zoning Clearance Applications – 24ZCI-00090, 24ZCI-00091, 24ZCI-00095, 24ZCI-00096 (February 12, 2025)).

Topical Response 11: Alleged Onshore Adverse Environmental Impacts. Next, the Staff Report speculates about the extent to which Sable’s Anomaly Repair Work and Safety Valve Installation Work “resulted in adverse impacts to various sensitive habitat areas.” The Staff Report also cites to photos purporting to depict impacts to sensitive habitat areas, though Commission staff do not provide exact locations where such photos were taken in order to allow Sable to meaningfully respond. In any event, the Onshore EIR/EIS concluded that the Onshore Pipelines’ *entire* operational right-of-way would be disturbed by initial construction and remain *permanently* impacted by ongoing pipeline repair and maintenance activities such as pipeline anomaly repairs. Accordingly, any biological impacts resulting from the Anomaly Repair Work or Safety Valve Installation Work within the Onshore Pipelines’ operational right-of-way fall within the scope of impacts previously analyzed in the Onshore EIR/EIS, authorized under the Onshore CDPs, and approved by the County.¹⁹ With respect to the Safety Valve Installation Work, a draft California Environmental Quality Act (CEQA) addendum previously prepared by the County for an above-grade safety valve installation proposal (“Initial Valve Proposal”) confirmed all construction areas would be located outside sensitive habitat areas and that any resulting impacts would be less than those identified under the Onshore EIR/EIS.²⁰ Sable subsequently proposed the Safety Valve Installation Work, in which all valves are located below grade, thereby further minimizing any associated impacts. Sable also submitted additional materials regarding the Safety Valve Installation Work to the County on March 28, 2025, which included further ecological and archaeological resource analyses. Those materials included mapping demonstrating that all proposed valves were located in virtually the same locations as contemplated under the Initial Valve Proposal and reconfirming that all such work was performed in already-disturbed annual grassland – not sensitive habitat – and that mapping is provided as Exhibits 1 and 2 to this Attachment A.²¹

Nevertheless, Sable implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources resulting from the Anomaly Repair Work or Safety Valve Installation Work would be consistent with the Onshore Pipelines’ prior impact analyses related to ongoing repair and maintenance. Such practices included conducting pre-construction biological resources surveys or ensuring that a biologist is available onsite to monitor work, conducting environmental awareness training with all onsite personnel, and onsite archaeological monitoring. Further, subsequent ecological and archaeological resource analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved.²² Sable provided these reports to the County for its consideration when reviewing the Anomaly Repair Work and the Safety Valve Installation Work.

¹⁹ See Statement of Defense, pp. 17-18, 32.

²⁰ See Statement of Defense, pp. 33-36.

²¹ See Exhibits 1 and 2.

²² See Statement of Defense, pp. 17-18 (citing Documents No. 65 and 92, “Zoning Clearance Application for Open Anomaly Sites” (November 22, 2024), Attachments A, D.1, and D.2, “Materials Regarding Completed Anomaly Sites” (March 6, 2025), Attachments A, D.1 and D.2. See also Document No. 74, “Zoning Clearance Application for Planned Anomaly Sites” (December 6, 2024), Attachments A, D.1 and D.2). Additional materials related to the Safety Valve Installation Work were submitted to the County on March 28, 2025, and were not included in the Statement of Defense which predated that submittal. Sable understands that the County is still in the process of reviewing those materials.

Topical Response 12: Alleged New Onshore Sensitive Resources. The Staff Report asserts that the Onshore EIR/EIS could not have authorized the Anomaly Repair Work and Safety Valve Installation Work because “many sensitive resources have been identified or designated since that initial environmental review occurred in 1985.” Staff ignores that changes in listing statuses for sensitive species or habitat does *not* undermine a project’s prior environmental impact analyses.²³ In addition, a 2020 Biological Resources Assessment confirmed that major pipeline work can be conducted within the Onshore Pipelines’ operational right-of-way without resulting in “any substantial adverse effects on or significant impacts to biological, botanical, wetland, or riparian habitat resources.”²⁴ This conclusion reflected the fact that the Onshore Pipeline’s operational right of way has been permanently disturbed as contemplated in the Onshore EIR/EIS. As part of conducting the Anomaly Repair Work and Safety Valve Installation Work, Sable’s ecological analyses considered all applicable special status species and concluded that impacts were within the scope of those previously analyzed.(See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts.*)

Topical Response 13: Allegations Regarding the Scale of Anomaly Repair Work. The Staff Report also vaguely claims that the Onshore EIR/EIS could not have anticipated the number of repairs involved in Sable’s Anomaly Repair Work. The Staff Report provides no support for this assertion. Pipeline anomaly repairs are a common type of ongoing pipeline repair and maintenance, and the repairs undertaken by Sable as part of the Anomaly Repair Work would have been undertaken by any operator of the Onshore Pipelines over time to address any identified anomalies. Commission staff provides no support for the Staff Report’s implicit claim that conducting multiple anomaly repairs over a similar time somehow results in cumulative effects to biological resources. In contrast, the Onshore EIR/EIS imposes absolutely no limitation on the number of sites where anomaly repairs may be undertaken at any one time or over the Onshore Pipelines’ lifetime. As such, Sable’s Anomaly Repair Work can be undertaken at many or several sites while remaining within the scope of the Onshore EIR/EIS’s impact analysis.²⁵

Topical Response 14: Allegation that Pipelines are Not Operational. The Staff Report argues that Sable should have sought a new or amended coastal development permit for the Anomaly Repair Work and Safety Valve Installation Work because the Onshore Pipelines are not actively engaged in the transfer of oil, rendering any necessary repair and maintenance work not time sensitive. The Staff Report ignores the fact that time pressures do not govern whether a new or amended coastal development permit is required. Here, the County, which exercises delegated LCP authority under the Coastal Act, expressly confirmed that the Anomaly Repair Work was analyzed by the Onshore EIR/EIS, authorized by the Onshore CDPs, and therefore requires no further authorization from the County. Similarly, Sable undertook the Safety Valve Installation Work only after receiving confirmation from the County that no further authorization

²³ See *Fort Mojave Indian Tribe v. Dept. of Health Services* (1995) 38 Cal.App.4th 1574, 1605 (new regulation designating critical habitat for endangered species did not trigger further review because “however legally characterized, the habitat would be affected the same as before.”); *Chapparal Greens v. City of Chula Vista* (1996) 50 Cal.App.4th 1134, 1149 (“listing ... [has] no bearing on the impact of the project on the [species] population and habitat ..., which was fully discussed in the [EIR].”).

²⁴ See Statement of Defense, p. 15 (quoting Document No. 36, SCS Engineers, “Line 901 & Line 903 Replacement Project: 2nd Revised Biological Resources Assessment” (October 5, 2020), p. 95).

²⁵ See Statement of Defense, p. 14.

from the County was required.²⁶ As such, Sable was not required to seek a new or amended coastal development permit from the Commission.

The Staff Report also indicates that the Onshore Pipeline are currently out of service. To the contrary, the Onshore Pipelines and the Offshore Pipelines actively are operated and maintained in compliance with local, state, and federal requirements. For example, multiple federal and state agency audits of the lines have been conducted since 2015. Aerial surveillance of the Onshore Pipelines' right-of-way continues to be conducted weekly. Likewise, ongoing inspection of the lines has taken place from 2015 to present, including periodic in-line-inspection tool runs, annual cathodic protection surveys, and various field investigations. Routine checks of required systems and appropriate maintenance have occurred, as needed, throughout the relevant time period. Up until the Anomaly Repair Work began, the lines were kept under a nitrogen blanket at a constant pressure of approximately 250 pounds per square inch and continue to be actively monitored.

Offshore Allegations

Topical Response 15: Alleged Offshore Violation of Coastal Act. The Staff Report likewise claims that Sable undertook "unpermitted development" when it conducted its offshore Span Remediation Work. The Span Remediation Work consisted of adding support with sand and cement bags under small segments of the Offshore Pipelines to reduce the distance of "free spans" along the pipelines. A "free span" or "span" occurs when a portion of a pipeline is not resting on the bottom of the seafloor due to sand being scoured from beneath the pipeline over time. This work is routine, low-impact, and consistent with maintenance work previously performed on the Offshore Pipelines during their operational lifetime.²⁷

The Staff Report omits critical background regarding the offshore Span Remediation Work. As relevant background, Exxon (Sable's predecessor in interest) submitted a revised Development and Production Plan ("DPP") for the SYU to the federal Minerals Management Service ("MMS") in September 1987.²⁸ The DPP governs the development and production activities for oil and gas on a lease unit in the OCS and must be submitted and approved before these activities can commence.²⁹ This DPP included a detailed discussion of the Offshore Pipelines that would be installed, maintained, and operated.³⁰

In December of 1987, pursuant to the Coastal Zone Management Act ("CZMA"), Exxon submitted a request for a Coastal Commission concurrence in its consistency certification for the planned oil and gas production activities in the SYU.³¹ After analyzing the DPP and relying on the DPP's June 1984 Environmental Impact Statement/Environmental Impact Report ("Offshore EIS/EIR"),³² on February 23, 1988, through Consistency Certification No. CC-64-87

²⁶ See Statement of Defense, pp. 20-24, 33-36.

²⁷ See Statement of Defense, p. 42.

²⁸ See Statement of Defense, p. 44.

²⁹ See 30 C.F.R. §550.201(a).

³⁰ See Statement of Defense, p. 45.

³¹ See Statement of Defense, p. 44.

³² See Statement of Defense, p. 46.

(“Consistency Certification”), the Commission concurred with Exxon’s certification for the revised DPP. The Commission stated that: “By concurring in Exxon’s certification, the Commission informs [federal agencies] that it considers the nearshore and onshore portions of Exxon’s [DPP] to be consistent with the [California Coastal Management Program under the CZMA].”³³ On the same day, the Commission also approved Offshore CDP No. E-88-1 for the nearshore portions of the SYU, including the Offshore Pipelines.³⁴

The Commission’s findings are clear that the activities contemplated by the DPP were the basis for both the Consistency Certification and the Offshore CDP. The DPP addresses the design, construction, and ongoing operation and maintenance of the Offshore Pipelines. This included relevant geologic and geotechnical design considerations and applicable design codes. Regarding maintenance, the DPP expressly *requires* Sable to ensure the pipelines are maintained: “All emulsion and gas pipelines will be maintained in good operating condition at all times.”³⁵ Additionally, the State Lands Commission (“SLC”) imposed lease conditions requiring annual side-scan surveys to check for and address “bridging” or other hazards, underscoring the expectation of ongoing maintenance activities.³⁶ The Commission incorporated these lease conditions into the Offshore CDP.³⁷ Indeed, Sable undertook the Span Remediation Work pursuant to this SLC lease requirement.³⁸

Topical Response 16: Allegation that Span Remediation Work was Part of Effort to Restart SYU. The Staff Report asserts that “[r]einforcement of these pipelines was also carried out as part of an effort to restart SYU oil production operations and bring the pipelines back into use.” This is misleading. The Span Remediation Work was done pursuant to obligations under the SLC lease for the Offshore Pipelines which specifically requires annual surveys to identify and remediate free spans.³⁹ Sable also disputes the claim that any of its pipelines are “out-of-service.” (See *Topical Response 14: Allegation that Pipelines are Not Operational.*)

Topical Response 17: Allegations Regarding Scope of Span Remediation Work. The Staff Report also inflates the Span Remediation Work. The Staff Report’s claim that Sable deployed concrete bags along more than 750 linear feet of the pipelines is factually incorrect. The supports were installed across approximately 150 linear feet, not 750. The Statement of Defense already corrected this inaccurate assertion by Commission staff and includes a detailed description of the work undertaken and attaches a Span Remediation Report that goes into great detail describing the precise locations and number of sand-to-cement bags that were deployed at each location.⁴⁰ Nevertheless, the Staff Report continues to exaggerate the scale of the Span Remediation Work by a factor of five.

³³ See Statement of Defense, p. 7.

³⁴ See Statement of Defense, pp. 44-45.

³⁵ See Statement of Defense, pp. 45-46.

³⁶ See Statement of Defense, p. 52.

³⁷ See Statement of Defense, p. 49 (citing Document No. 13, Staff Recommendation on Permit and Consistency Certification, p. 23 (“[T]he project as described includes the conditions imposed in the Santa Barbara County and APCD, and the State Lands Commission approvals.”)).

³⁸ See Statement of Defense, p. 52.

³⁹ See Statement of Defense, p. 52.

⁴⁰ See Statement of Defense, pp. 55-60.

Topical Response 18: Allegations Regarding Risks of Span Remediation Work. Further, without any explanation, the Staff Report falsely states that Sable “engaged in activities for which ... risks are high.” This is incorrect and presumes, despite evidence to Commission staff in Sable’s Statement of Defense, that Sable did not include any measures to avoid and reduce potential impacts. Indeed, the SLC required Sable to demonstrate various measures to ensure minimal impacts, including a hazardous spill contingency plan, confirmation of anchor-free operations to avoid sensitive habitats, a critical operations and curtailment plan, an environmental, health, and safety manual, and notifications to BSEE, the Coast Guard, and the Joint Oil/Fisheries Notice to Fishermen. The SLC reviewed all of this information prior to authorizing Sable to move forward with the Span Remediation Work.⁴¹

More specifically, the record demonstrates that no coastal resources were harmed during the Span Remediation Work, as contractors utilized best management practices to avoid and minimize impacts. These measures included:

- Using biodegradable burlap bags filled with a sand-cement blend to create stable support structures for the pipelines.
- Ensuring that all project materials were successfully recovered, and no debris or spills occurred from the vessel.
- Utilizing a dynamically positioned vessel eliminated the need for anchors, reducing environmental disturbance.
- Providing notifications to the U.S. Coast Guard and the Joint Oil/Fisheries Liaison Office to facilitate coordination and address any potential conflicts with the fishing community.
- Strategically placing the 3:1 sand-to-cement bags in a mounded support structure, providing pipeline support without leaving any slings, ropes, or loops subsea, thus preventing potential entanglement of marine mammals.
- Deploying the 3:1 sand-to-cement bags within the existing pipeline right-of-way, adjacent to either side of the pipeline from a low height, ensuring precise placement and minimal impact.
- Deck personnel monitoring for marine wildlife during operations.
- Live video feed from the ROV to monitor any unexpected conditions or wildlife encounters.

⁴¹ Statement of Defense, Document No. 69, SLC Email to Sable, Re: SYU Pipeline – Span Remediation – Request for Information (November 27, 2024).

- Containing all packaging and other debris on the deck and disposing it onshore at the completion of the Span Remediation Work.

As demonstrated in the daily reports submitted to the SLC at the conclusion of the Span Remediation Work, there were no safety, health, or environmental incidents during the duration of the work, which occurred over a limited three-day period.⁴² The Staff Report significantly overinflates the scale of the alleged offshore violation, as the Span Remediation Work impacted less than 0.07 acre of seafloor,⁴³ with no adverse impacts identified, demonstrating staff's disproportionate response to the actual scope and environmental footprint of the maintenance activities Sable undertook.

Responses to "Initial Enforcement Actions" (Staff Report, pp. 7-10)

Sable disagrees with the Staff Report's characterization of the various correspondence and discussions between Sable and Commission staff since the 2024 NOV was received. Sable and Commission staff have engaged in numerous productive discussions and exchanges during this time. Ultimately, because of fundamental and irreconcilable disagreements regarding the permitting status of Sable's work, Sable and the Commission staff were unable to reach final terms of an agreement. The fact that a final agreement was not able to be reached by the parties does not undercut the fact that Sable engaged in good-faith, ongoing discussions with Commission staff to evaluate whether a mutual agreement could be achieved. The remainder of this section responds to the Staff Report's allegations regarding these communications and other events during these proceedings.

Topical Response 19: Allegations Regarding September 2024 Emails with County. The Staff Report implies that email communications between Commission staff and the County from September 20 to September 23, 2024, created a sufficient statutory basis for the Commission to "assume enforcement jurisdiction" over Sable's Anomaly Repair Work within the County. Not so. Sections 30809 and 30810 of the Coastal Act allow the Executive Director and the Commission to issue cease and desist orders when, as relevant here, "the commission requests and the local government ... declines to act, or does not take action in a timely manner, regarding an alleged violation which could cause significant damage to coastal resources."⁴⁴ Neither circumstance occurred here. Commission staff shared its allegations of unpermitted development by Sable along the Onshore Pipelines with the County and asserted that the Commission would "assume jurisdiction" if the County declined to act. The County did not decline to act – it "responded [to staff] that it would review and respond" to the Commission's allegations.

The Staff Report also repeats its assertion that the Executive Director issued the 2024 EDCDO because Commission staff's attempts to amicably resolve the 2024 NOV and October 4

⁴² See Statement of Defense, Document No. 80, Santa Ynez Unit Pipeline Span Remediation Report, with Attachments (January 30, 2025).

⁴³ The Span Remediation Work was conducted over approximately 150 linear feet of pipeline. The sand-to-cement bags did not extend further than ten feet on either side of the pipeline. Thus, the estimated impacted sea floor is equal to 150 feet x 20 feet = 3,000 square feet or 0.069 acres.

⁴⁴ See Statement of Defense, pp. 24-25, 38.

Letter failed and because Sable did not provide satisfactory responses to staff's inquiries. However, as described above, Sable satisfied the 2024 NOV and October 4 Letter's information requests. Further, staff issued the 2024 EDCDO consistent with Sable's request to allow it to complete interim work to address immediate environmental harm at ongoing anomaly repair sites – not because Sable had failed to respond to Commission staff as staff now claims. (See *Topical Response 3: Alleged Failure to Provide Information and Stop Work Under 2024 NOV*; *Topical Response 4: Allegations Regarding Staff's Issuance of 2024 EDCDO*.)

Topical Response 20: Alleged Failure to Apply for CDP Under 2024 EDCDO. Despite Sable's compliance with the 2024 EDCDO and close coordination with Commission staff during that period, the Staff Report asserts that Sable "declined to submit any application for a CDP" in violation of the 2024 EDCDO. The Staff Report is incorrect. In response to Commission staff's request that Sable submit a full and complete coastal development permit application to "Santa Barbara County for any development in its Coastal Act permitting jurisdiction," Sable submitted application materials regarding the Anomaly Repair Work to the County, which allowed the County to review the work for compliance with the Onshore Pipelines' Conditions of Approval, FDP, CUP, and the Onshore CDPs and determine whether any new or amended coastal development permit was required. (See *Topical Response 9: Allegations Regarding Sable's Submissions to the County*.) These submissions to the County satisfied Sable's obligations under the 2024 EDCDO.

The Staff Report also repeats its allegation that Sable violated the 2025 EDCDO by recommencing Anomaly Repair Work. For the reasons described above, Sable did not violate the Coastal Act (and therefore the 2025 EDCDO was not properly issued) when it recommenced Anomaly Repair Work because it did so only after receiving confirmation from the County that such work was authorized by the Onshore CDPs. (See *Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work*.)

Topical Response 21: Allegations Regarding Communications about Span Remediation Work. Sable also disagrees with the characterization of the correspondence between Sable and Commission staff regarding the Span Remediation Work. Throughout communications with Commission staff regarding the Span Remediation Work, Sable consistently demonstrated a commitment to ensuring compliance with all necessary authorizations. While Commission staff stated that the work required Coastal Act authorization,⁴⁵ Sable proceeded based on its reasonable understanding that such authorization was already in place under existing permits.⁴⁶ This understanding was consistent with past maintenance practices on the Offshore Pipelines, which historically have not required new CDPs or consistency certifications. Similar maintenance activities conducted by Exxon in 2012 were approved by the SLC and BSEE *without* objection from the Coastal Commission.

⁴⁵ See Staff Report, Exhibit 8.

⁴⁶ See *id.*

Responses to “Proposed Resolution” (Staff Report, pp. 10-11)

The Staff Report repeats its allegation that Sable’s Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work constitute violations of the Coastal Act. As described above, this work did not result in violations of the County’s CZO, LCP, or the Coastal Act. (See *Topical Response 1: General Allegation of Coastal Act Violations*.) As such, the Proposed Orders are not warranted and are not supported by applicable law. A response to the proposed penalty is provided in Section VI below.

I. RESPONSES TO “MOTIONS AND RESOLUTIONS” (Staff Report, pp. 16-17)

For the reasons described above, the Proposed Orders are not warranted and are not supported by applicable law. (See *Topical Response 1: General Allegation of Coastal Act Violations*.)

II. RESPONSES TO “HEARING PROCEDURES” (Staff Report, pp. 17-18)

For the reasons described above, the Proposed Orders are not warranted and are not supported by applicable law. (See *Topical Response 1: General Allegation of Coastal Act Violations*.)

III. RESPONSES TO “FINDINGS FOR CEASE AND DESIST ORDER, RESTORATION ORDER, AND ISSUANCE OF ADMINISTRATIVE PENALTIES” (Staff Report, pp. 18-25)

A. Responses to “Description of Property” (Staff Report, p. 18)

Sable’s Anomaly Repair Work and Safety Valve Installation Work occurred at various locations along the Onshore Pipelines in unincorporated parts of the County and within the Coastal Zone. Sable’s Span Remediation Work occurred on the Offshore Pipelines in State waters offshore of the County’s Gaviota Coast.

B. Responses to “Description of Coastal Act Violations” (Staff Report, pp. 18-19)

The Staff Report repeats its allegation that Sable’s Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work constitute violations of the Coastal Act. As described above, this work did not result in violations of the County’s CZO, LCP, or the Coastal Act because each of the three categories of work was authorized by an existing coastal development permit. (See *Topical Response 1: General Allegation of Coastal Act Violations*.)

The Staff Report also continues to assert that Sable’s onshore work constitutes seven individual violations of the Coastal Act. For the reasons described above, the Staff Report’s separation of the same work into multiple violations is unsupported. (See *Topical Response 6: Multiple Alleged Onshore Violations of the Coastal Act*.) Sable also disagrees with the Staff Report’s assertion that it engaged in grading and widening of roads or that placing metal grates

over water courses is a violation of the Coastal Act. (See *Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering.*) Further, Sable reiterates that the Commission lacks jurisdiction over “pipeline removal, replacement, and reinforcement” or the “installation of safety valves” sufficient for those activities to constitute Coastal Act violations. (See *Topical Response 8: Alleged Violations Related to Pipeline Safety.*) Finally, Sable disputes the Staff Report’s allegation that its Span Remediation Work constituted unauthorized development. (See *Topical Response 15: Alleged Offshore Violation of Coastal Act.*)

C. Responses to “Enforcement Activities and Attempts at Resolution” (Staff Report, pp. 19-24)

Onshore Allegations

The Staff Report repeats its allegation that email communications between Commission staff and the County from September 20 to September 23, 2024, created a sufficient statutory basis for the Commission to “assume enforcement jurisdiction” over Sable’s Anomaly Repair Work. As described above, the Staff Report is incorrect because the County did not decline to act within the meaning of Coastal Act Sections 30809 or 30810. (See *Topical Response 19: Allegations Regarding September 2024 Emails with County.*)

The Staff Report also reasserts that Sable “did not provide a ‘satisfactory response’” to Commission staff’s October 4 Letter, thereby creating the necessary statutory basis for the Executive Director to issue the 2024 EDCDO. As described above, Sable satisfied the 2024 NOV and October 4 Letter’s information requests. Further, staff issued the 2024 EDCDO consistent with Sable’s request to complete interim work to address immediate environmental harm at ongoing anomaly repair sites – not because Sable failed to respond to Commission staff as staff now claims. (See *Topical Response 3: Alleged Failure to Provide Information and Stop Work Under 2024 NOV*; *Topical Response 4: Allegations Regarding Staff’s Issuance of 2024 EDCDO.*)

The Staff Report claims again that Sable violated the 2024 EDCDO by failing “to submit any application for a CDP” for its onshore work. To the contrary, Sable submitted sufficient application materials and associated information to the County in order for the County to confirm whether any new or amended coastal development permits were required. These submissions satisfied Sable’s obligations under the 2024 EDCDO. (See *Topical Response 20: Alleged Failure to Apply for CDP Under 2024 EDCDO.*)

The Staff Report continues to speculate about the extent to which Sable’s Anomaly Repair Work and Safety Valve Installation Work resulted in “adverse impacts on resources.” The Staff Report also cites to photos purporting to depict impacts to sensitive habitat areas, though Commission staff do not provide exact locations where such photos were taken in order to allow Sable to meaningfully respond. In any event, as described above, any biological impacts resulting from Sable’s onshore work were minimal and fell within the scope of impacts previously analyzed by the County and disclosed in the Onshore EIR/EIS, which concluded that impacts within the Onshore Pipelines’ operational right-of-way would be permanent due to

ongoing repair and maintenance work. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts*.)

The Staff Report rehashes its claim that the Onshore EIR/EIS could not have authorized Sable's onshore work because new "sensitive resources have been identified or designated since that initial environmental review occurred." The Staff Report is incorrect because new designations do not undermine a project's original analysis under CEQA and because subsequent studies confirmed that major work could be conducted within the Onshore Pipeline corridor without substantial adverse biological impacts. (See *Topical Response 12: Alleged New Onshore Sensitive Resources*.)

The Staff Report repeats its allegation that Sable violated the 2025 EDCDO by recommencing Anomaly Repair Work. For the reasons described above, Sable's recommenced Anomaly Repair Work does not violate the Coastal Act (and therefore the 2025 EDCDO was not properly issued) because the County confirmed that such work was authorized by the existing Onshore CDPs and requires no further Coastal Act authorization. (See *Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work*.)

Topical Response 22: Allegations Regarding Cathodic Protection and Pipeline Insulation. The Staff Report claims that the Onshore EIR/EIS could not have contemplated, analyzed, or approved the Anomaly Repair Work because the work involves a "new strategy" for cathodic protection. The Staff Report's arguments are unconvincing and inaccurate—the Anomaly Repair Work is entirely consistent with the original design and construction of the Onshore Pipeline. Cathodic protection refers to a method of preventing pipeline corrosion. Cathodic protection was installed as a part of the Onshore Pipelines' original construction and remains a federal regulatory requirement. Critically, pipeline safety and operations, including cathodic protection, is in the sole and exclusive jurisdiction of the Office of the State Fire Marshal (OSFM) – not the Coastal Commission.⁴⁷ Because OSFM has sole and exclusive jurisdiction, the specific details of how the Onshore Pipelines' cathodic protection system operates to ensure a safe pipeline is entirely outside of the Commission's purview. In December 2024, OSFM issued two State Waivers, which modify regulatory requirements when pipeline operators demonstrate alternative means of regulatory compliance, confirming that Sable's cathodic protection systems are adequate and requiring compliance with 67 other conditions to address potential corrosion. Commission staff appear to be taking issue with new technology being implemented on the Onshore Pipeline; however, allowing project proponents to employ "equal or more efficient technology to mitigate a project's acknowledged significant effects promotes CEQA's goal of environmental protection."⁴⁸

The Staff Report also appears to take issue with the removal of an existing layer of insulation around the pipelines when the Anomaly Repair Work is completed. Insulation is not required on every foot of the Onshore Pipelines to ensure that the heated oil can be transferred. Insulation has been removed from very limited portions of the entire length of the Onshore Pipelines and accordingly no heat loss will occur from the insulation removal. Moreover, there

⁴⁷ See Gov't Code, § 51013.1.

⁴⁸ *Sierra Club v. County of Fresno* (2008) 6 Cal.5th 502, 524.

is no statement in the Onshore EIR/EIS that requires the entire length of the Onshore Pipeline to be insulated or that insulation be reapplied after completing anomaly repairs. Consistent with its exclusive jurisdiction over pipeline safety and operations, OSFM regulates how Anomaly Repair Work should occur and has determined that insulation may be removed where anomalies are repaired.⁴⁹ This does not change how the oil is transported. In sum, removing insulation from repaired anomaly locations does not render the entire Onshore EIR/EIS null and void and is not a “fundamental shift in the pipeline’s design and operation.”

Topical Response 23: Allegations Regarding Consolidated CDP and Dispute Resolution.

The Staff Report also references the County’s purported consent to a consolidated coastal development permitting process and the Environmental Defense Center’s request for dispute resolution between the Commission and the County as justifications for the Commission’s jurisdiction over Sable’s activities. Both are unavailing. A consolidated coastal development permit only is appropriate when a “project requires a coastal development permit from both a local government with a certified local coastal program and the commission.” Here, the County confirmed the Anomaly Repair Work was authorized under the Onshore CDPs and that no further Coastal Act authorization was required. Therefore, a consolidated coastal development permit would be inconsistent with the Coastal Act’s plain language that requires a local coastal development permit be necessary for the consolidated coastal development permit process to apply. Separately, the Commission’s dispute resolution provisions are not applicable. The County’s confirmation that the Anomaly Repair Work was authorized by the Onshore CDPs does not constitute a determination that the work is exempt or categorically excluded from Coastal Act permitting requirements or otherwise appealable to the Coastal Commission. Accordingly, the dispute resolution provisions of Section 13569 of the Coastal Act’s Regulations do not apply. The County confirmed the same in responding to Commission staff’s dispute resolution request.⁵⁰

Offshore Allegations

The Staff Report repeats its inaccurate characterization of Sable’s offshore activities as unauthorized development requiring a new CDP. As discussed above, contrary to these assertions, the Span Remediation Work was fully authorized under the existing Offshore CDP and conducted pursuant to established regulatory frameworks. (See *Topical Response 15: Alleged Offshore Violation of Coastal Act.*)

The Staff Report also repeats its factually incorrect claim that Sable deployed concrete bags along more than 750 linear feet of the pipelines. The supports were installed across approximately 150 linear feet, not 750. (See *Topical Response 17: Allegations Regarding Scope of Span Remediation Work.*)

⁴⁹ See Statement of Defense, Document Nos. 77 and 82, OSFM, Letter of Decision on State Waiver Requests (CA-324 and CA-325A/B) (Dec. 17, 2024) (Conditions 47 and 48, respectively).

⁵⁰ See Statement of Defense, pp. 27, 40-41.

IV. RESPONSES TO “BASIS FOR ISSUING CEASE AND DESIST ORDER” (Staff Report, pp. 25-30)

A. Responses to “Statutory Provision” (Staff Report, p. 25)

This section of the Staff Report quotes Section 30810 of the Coastal Act. For the reasons described above, the Proposed Orders are not warranted and are not supported by applicable law. (See *Topical Response 1: General Allegation of Coastal Act Violations.*)

B. Responses to “Jurisdiction” (Staff Report, pp. 25-28)

Sable continues to dispute that the Commission possesses the authority to assume enforcement jurisdiction over Sable’s Anomaly Repair Work and Safety Valve Installation Work. The Staff Report repeats its allegation that email communications between Commission staff and the County from September 20 to September 23, 2024, created a sufficient statutory basis for the Commission to “assume enforcement jurisdiction” over Sable’s Anomaly Repair Work. As described above, the Staff Report is incorrect because the County did not decline to act within the meaning of Coastal Act Sections 30809 or 30810. (See *Topical Response 19: Allegations Regarding September 2024 Emails with County.*)

The Staff Report also repeats its claim that Sable failed to provide adequate information regarding its Anomaly Repair Work to Commission staff. The Staff Report is incorrect. As described above, Sable submitted application materials to the County regarding the Anomaly Repair Work that allowed the County to review the work for compliance with the Onshore Pipelines’ Conditions of Approval, FDP, CUP, and the Onshore CDPs and determine whether any new or amended coastal development permit was required. (See *Topical Response 9: Allegations Regarding Sable’s Submissions to the County.*) All of these materials have been provided to Commission staff.

The Staff Report reasserts that Sable violated the 2025 EDCDO by recommencing Anomaly Repair Work. For the reasons described above, Sable’s Anomaly Repair Work did not violate the Coastal Act (and therefore the 2025 EDCDO was not properly issued) because the County confirmed that such work was previously authorized in the Onshore CDPs and requires no further authorization under the Coastal Act. (See *Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work.*)

Finally, the Staff Report cites the Commission’s jurisdiction to consider a consolidated coastal development permit or undertake dispute resolution under the Coastal Act regulations. As described above, both are inapplicable here and therefore do not vest the Commission with jurisdiction over Sable’s onshore work. (See *Topical Response 23: Allegations Regarding Consolidated CDP and Dispute Resolution.*)

C. Responses to “Application to Facts” (Staff Report, pp. 28-30)

The Staff Report repeats its allegation that Sable’s Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work constitute violations of the Coastal Act. As

These Materials Have Been Provided to Coastal Commission Staff

described above, this work did not result in violations of the County's CZO, LCP, or the Coastal Act because each of the three categories of work was authorized by existing coastal development permits.⁵¹ (See *Topical Response 1: General Allegation of Coastal Act Violations*.) For the reasons described above, Sable also disagrees with the Staff Report's assertion that it engaged in grading and widening of roads or that placing metal grates over water courses constitutes a violation of the Coastal Act or harms coastal resources. (See *Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering*.) Sable also reiterates that the Commission lacks jurisdiction over "pipeline removal, replacement, and reinforcement" or the "installation of safety valves" sufficient for such activities to constitute Coastal Act violations. (See *Topical Response 8: Alleged Violations Related to Pipeline Safety*.)

Sable disputes the Staff Report's claim that no coastal development permit has been issued for this work. As described above, Sable submitted application materials to the County regarding the Anomaly Repair Work that allowed the County to review the work for compliance with the Onshore Pipelines' Conditions of Approval, FDP, CUP, and the Onshore CDPs and confirm whether any new or amended coastal development permit was required. (See *Topical Response 9: Allegations Regarding Sable's Submissions to the County*.) On the basis of that information, the County confirmed that the Anomaly Repair Work is consistent with and authorized by the Onshore CDPs. The County also previously confirmed that it lacked jurisdiction over Sable's Safety Valve Installation Work, but, in order to clarify for Commission staff whether this confirmation involved an exercise of its delegated LCP authority, Sable also submitted additional materials to the County regarding such work that the County is in the process of reviewing. (See *Topical Response 10: The County's Review of Sable's Onshore Work*.)

The Staff Report repeats its allegation that Sable violated the 2025 EDCDO by recommencing Anomaly Repair Work. For the reasons described above, Sable's Anomaly Repair Work did not violate Coastal Act (and therefore the 2025 EDCDO was not properly issued) because the County confirmed that such work was authorized by the Onshore CDPs and requires no further Coastal Act authorization. (See *Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work*.)

The Staff Report also repeats its inaccurate characterization of Sable's offshore activities as unauthorized development requiring a new CDP. As discussed above, contrary to these assertions, the Span Remediation Work was fully authorized under the existing Offshore CDP and conducted pursuant to established regulatory frameworks. (See *Topical Response 15: Alleged Offshore Violation of Coastal Act*.)

⁵¹ Although Sable's Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work were previously authorized by the Onshore CDPs and Offshore CDP, such work could also have been exempt from coastal development permitting requirements as repair and maintenance activities. (See CZO, § 35-51B.B.7.)

The Staff Report's claim that the Span Remediation Work caused resource damage also is unfounded, as there is no evidence of such damage. (See *Topical Response 18: Allegations Regarding Risks of Span Remediation Work.*)

V. RESPONSES TO "BASIS FOR ISSUANCE OF RESTORATION ORDER"
(Staff Report, pp. 30-35)

A. Responses to "Statutory Provision" (Staff Report, p. 30)

This section of the Staff Report quotes Section 30811 of the Coastal Act. For the reasons described above, the Proposed Orders are not warranted and are not supported by applicable law. (See *Topical Response 1: General Allegation of Coastal Act Violations.*)

B. Responses to "Application of Facts" (Staff Report, pp. 30-33)

1. Responses to "Development Without a Permit"

The Staff Report repeats its allegation that Sable's Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work constitute violations of the Coastal Act. As described above, this work did not result in violations of the County's CZO, LCP, or the Coastal Act because each of the three categories of work was authorized by an existing coastal development permit. (See *Topical Response 1: General Allegation of Coastal Act Violations.*)

2. Responses to "Development Inconsistent with the Coastal Act"

The Staff Report continues to speculate about the extent to which Sable's Anomaly Repair Work and Safety Valve Installation Work resulted in "adverse impacts on resources." The Staff Report also cites to photos purporting to depict impacts to sensitive habitat areas, though Commission staff do not provide exact locations where such photos were taken in order to allow Sable to meaningfully respond. In any event, as described above, any biological impacts resulting from Sable's onshore work were minimal and fell within the scope of impacts previously analyzed and approved by the County, which concluded that the Onshore Pipelines' operational right-of-way would be permanently impacted by ongoing repair and maintenance activities. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts.*)

The Staff Report also repeats its concerns regarding potential adverse impacts from the Span Remediation Work. As discussed above, these concerns also are unfounded, as the Span Remediation Work was conducted with safeguards to prevent such impacts. First, the biodegradable sand-to-cement burlap bags used in the remediation were specifically chosen to minimize environmental disturbance and have been successfully employed in similar maintenance activities without adverse effects on marine resources. Second, the work was executed using a dynamically positioned vessel, eliminating the need for anchoring and thereby reducing the risk of disturbance to sensitive seafloor habitats. Third, all Span Remediation Work materials were recovered, ensuring no marine debris was left behind. Finally, deck personnel monitored for marine mammals during the Span Remediation Work, ensuring that the Span Remediation Work did not adversely impact species such as Harbor seals, California sea lions,

and the various dolphins and whales that could inhabit the area. As demonstrated in the daily reports submitted to the SLC at the conclusion of the Span Remediation Work, there were no safety, health, or environmental incidents during the duration of the work.⁵² (See *Topical Response 18: Allegations Regarding Risks of Span Remediation Work.*)

3. Responses to “Continuing Resource Damage”

Again, Sable disagrees with Commission staff’s assertion that the Anomaly Repair Work or Safety Valve Installation Work resulted in any continuing resource damage. As described above, any biological impacts resulting from Sable’s onshore work were minimal and fell within the scope of impacts previously analyzed by the County, which concluded that the Onshore Pipelines’ operational right-of-way would be permanently impacted by ongoing repair and maintenance activities. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts.*) With respect to placing metal grates over water courses and dewatering, in particular, both are temporary measures that do not have the potential to affect resources on a continuing basis. (See *Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering.*)

The Staff Report’s claim that the Span Remediation Work resulted in “continuing resource damage” under Section 30811 of the Coastal Act also is unfounded, as no evidence of actual damage to coastal resources has been identified, and the maintenance activities were conducted with best management practices to ensure environmental protection. (See *Topical Response 18: Allegations Regarding Risks of Span Remediation Work.*) As discussed further, below, the Span Remediation Work did not take place in any environmentally sensitive habitat area and did not impair water quality. (See *Topical Response 26: Allegations Regarding Potential for Adverse Impacts from Span Remediation Work.*) Thus, because there was no “damage” to relevant “resources,” there is no “continuing” resource damage, and thus the criteria for a Restoration Order related to the Span Remediation Work have not been met.

C. Responses to “Jurisdiction” (Staff Report, pp. 33-35)

Section 30811 of the Coastal Act allows the Commission to issue a restoration order “if it finds that the development has occurred without a coastal development permit from the commission [or] local government, the development is inconsistent with [the Coastal Act], and the development is causing continuing resource damage.” As described above, none of those conditions exist here, and therefore the Commission lacks jurisdiction to issue any Restoration Order.

The Staff Report also acknowledges that Sable’s Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work “likely ... would be approvable” if they were not previously authorized by existing coastal development permits. This statement confirms that

⁵² See Statement of Defense, Document No. 80, Santa Ynez Unit Pipeline Span Remediation Report, with Attachments (January 30, 2025).

such work is not inherently “inconsistent with the Coastal Act,” and to the extent any remedy is appropriate, it is limited to restoring any affected surrounding area.⁵³

VI. RESPONSES TO “BASIS FOR IMPOSITION OF ADMINISTRATIVE PENALTIES” (Staff Report, pp. 35-55)

A. Responses to “Statutory Provisions” (Staff Report, pp. 35-36)

This section of the Staff Report quotes Section 30821.3 of the Coastal Act. For the reasons described above, the Proposed Orders are not warranted and are not supported by applicable law. (See *Topical Response 1: General Allegation of Coastal Act Violations*.)

B. Responses to “Application to the Facts” (Staff Report, pp. 36-38)

The Staff Report repeats its allegation that Sable’s Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work constitute violations of the Coastal Act. As described above, this work did not result in violations of the County’s CZO, LCP, or the Coastal Act because each of the three categories of work was authorized by an existing coastal development permit. (See *Topical Response 1: General Allegation of Coastal Act Violations*.)

C. Responses to “Penalty Amount” (Staff Report, pp. 38-55)

Sable disputes that the Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work violate the Coastal Act and therefore Sable disputes that any penalty should be imposed. Putting aside the dispute over whether there is a violation of the Coastal Act, Sable also notes that the Staff Report’s proposed penalty amount is grossly inflated relative to the allegations and scope of impacts at issue, particularly in light of the Onshore Pipelines’ already-disturbed operational corridor which the Onshore EIR/EIS and prior County approvals concluded to be permanently impacted by ongoing repair and maintenance activities. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts*) Similarly, the Span Remediation Work took place in very small areas within the Offshore Pipelines’ previously disturbed right of way and did not impact sensitive habitats. (See *Topical Response 26: Allegations Regarding Potential for Adverse Impacts from Span Remediation Work*.) The below discussion identifies numerous concerns regarding the proposed penalty amounts.

Responses to “Number of Violations”

The Staff Report asserts that Sable has committed nine violations: seven onshore violations for discrete components of its Anomaly Repair Work and Safety Valve Installation Work, one offshore violation for its Span Remediation Work, and one violation related to noncompliance with EDCDOs.

For the reasons described above, the Staff Report’s continued assertions that Sable’s onshore work constitutes seven discrete violations is unsupported. (See *Topical Response 6: Multiple Alleged Onshore Violations of the Coastal Act*.) Sable also disagrees with the Staff

⁵³ Pub. Res. Code, § 30811; 14 Cal. Code. Regs., § 13196(e).

Report's claim that it engaged in grading and widening of roads or that placing metal grates over water courses constitutes a violation of the Coastal Act or harms coastal resources. (See *Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering.*) Sable also reiterates that the Commission lacks jurisdiction over "pipeline removal, replacement, and reinforcement" or the "installation of safety valves" sufficient for such activities to constitute violations of the Coastal Act. (See *Topical Response 8: Alleged Violations Related to Pipeline Safety.*)

Sable continues to dispute that it violated the 2024 EDCDO by failing to apply for a coastal development permit. Sable submitted application materials to the County to confirm whether a new or amended coastal development permit is required, satisfying its obligations under the 2024 EDCDO. (See *Topical Response 20: Alleged Failure to Apply for CDP Under 2024 EDCDO.*)

The Staff Report also repeats its allegation that Sable violated the 2025 EDCDO by recommencing Anomaly Repair Work. For the reasons described above, Sable's Anomaly Repair Work did not violate the 2025 EDCDO because the County had confirmed in writing that such work was authorized under the Onshore CDPs and does not require further Coastal Act authorization. (See *Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work.*)

Responses to "Number of Days"

Topical Response 24: Allegations Regarding Tolling. The Staff Report asserts that certain of Sable's purported onshore violations should be tolled from the time Sable completed the Interim Restoration Plan on December 19, 2024 until Sable recommenced the Anomaly Repair Work on February 14, 2025. This tolling period results in a proposed penalty assessment period of 156 days for such work (from September 9 to December 19, 2024, and from February 14 to April 10, 2025). The Staff Report also claims that no tolling period should be applied to Sable's excavation work, removal of major vegetation, installation of metal plates and fill in wetlands, and the grading and of widening of roads.

The Staff Report is incorrect on several bases. First, Sable disagrees with the Staff Report's assertion that it engaged in grading and widening of roads or that placing metal grates over water courses is a violation of the Coastal Act. Moreover, placing metal grates over water courses and dewatering are temporary measures that could not cause continuing damage to coastal resources or constitute an ongoing violation. (See *Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering.*) Sable also reiterates that the Commission lacks jurisdiction over "pipeline removal, replacement, and reinforcement" or the "installation of safety valves" sufficient for such activities to constitute violations of the Coastal Act. (See *Topical Response 8: Alleged Violations Related to Pipeline Safety.*)

The Staff Report's proposed tolling and penalty assessment period also is incorrect. Sable complied with the 2024 NOV and October 4 Letter by stopping all ongoing work. (See *Topical Response 3: Alleged Failure to Provide Information and Stop Work Under 2024 NOV.*)

Sable recommenced its Anomaly Repair Work only after receiving confirmation from the County that such work was analyzed under the Onshore EIR/EIS and authorized by the Onshore CDPs, and therefore required no further Coastal Act authorization. (See *Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work*.) As such, even if Sable's Anomaly Repair Work or Safety Valve Installation Work constituted violations of the Coastal Act, which they do not, any associated penalty should be tolled from October 4, 2024, until Sable resumed work on February 14, 2025. Tolling during that 82-day period would result in a total penalty assessment period of 80 days: from September 9, 2024,⁵⁴ to October 4, 2024, and from February 14, 2025, to April 10, 2025.

Finally, any tolling period should be applied to *all* alleged onshore violations, as any environmental impacts resulting from Sable's onshore work were minimal and fell within the scope of impacts previously analyzed by the County. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts*.) As such, Sable's work stoppage in compliance with the 2024 NOV and October 4 Letter ensured that any purported harm to resources had ceased.

Responses to "Onshore Violations"

The Staff Report's section regarding penalties is divided between descriptions of the alleged onshore violations and, separately, applications of Coastal Act Section 30820(c)'s penalty factors to each such alleged violation. This section combines responses to both discussions for the alleged onshore violations, offshore violations, and violations of the 2024 EDCDO and 2025 EDCDO.

As an initial matter, the Staff Report repeats its claim that Sable's onshore work constitutes seven individual violations of the Coastal Act. For the reasons described above, the Staff Report's assertions are unsupported. (See *Topical Response 6: Multiple Alleged Onshore Violations of the Coastal Act*.) Below is a discussion of each factor enumerated under Section 30820(c) as applied to all purported onshore violations of the Coastal Act.

30820(c)(1): The nature, circumstance, extent, and gravity of the violation

Sable undertook the Anomaly Repair Work based on its understanding that no new coastal development permit or other Coastal Act authorization was required, consistent with the County's practice of authorizing repair work on the Onshore Pipelines since they were first permitted and built over 30 years ago. The County has subsequently confirmed that the Anomaly Repair Work was authorized by the Onshore EIR/EIS and Onshore CDPs and that no new coastal development permit or other Coastal Act authorization is needed. Similarly, Sable completed repair and maintenance work to install the referenced safety valves in compliance with requirements under state law – which the Coastal Commission supported – and only after receiving confirmation from the County, which possesses delegated LCP authority, that no further authorization from the County was required.

⁵⁴ Sable is not aware of having received any communication from the Coastal Commission until September 18, 2024, and therefore, believes that no penalty should be assessed before that date.

Any environmental impacts resulting from Sable's onshore work were minimal and fell within the scope of impacts previously analyzed by the County, which concluded that the Onshore Pipelines' right-of-way would be *permanently* impacted by ongoing repairs and maintenance. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts*.) Sable also disagrees with the Staff Report's assertion that it engaged in grading and widening of roads or that placing metal grates over water courses is a violation of the Coastal Act. Moreover, placing metal grates over water courses and dewatering are temporary measures that could not cause continuing damage to coastal resources or constitute an ongoing violation. (See *Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering*.) All excavation activities similarly were temporary in nature, and Sable endeavored to expeditiously backfill all excavation sites and implement erosion control measures and hydroseeding. Finally, the Commission lacks jurisdiction over "pipeline removal, replacement, and reinforcement" or the "installation of safety valves" sufficient for such activities to constitute violations of the Coastal Act. (See *Topical Response 8: Alleged Violations Related to Pipeline Safety*.)

As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support either the medium or maximum penalty under the Coastal Act that staff has proposed.

30820(c)(2): Whether the violation is susceptible to restoration or other remedial measures

Any environmental impacts resulting from Sable's onshore work were minimal and fell within the scope of impacts previously analyzed by the County, which concluded that the Onshore Pipelines' right-of-way would be *permanently* impacted by ongoing repairs and maintenance. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts*.) Sable also disagrees with the Staff Report's assertion that it engaged in grading and widening of roads. Moreover, placing metal grates over water courses and dewatering are temporary measures that could not cause continuing damage to coastal resources or constitute an ongoing violation. (See *Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering*.) As described above, all excavation activities similarly were temporary in nature, and Sable endeavored to expeditiously backfill all excavation sites and implement erosion control measures and hydroseeding. As such, any impacts from these activities are short-term and susceptible to restoration or remediation.

As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support the medium or maximum penalty allowed under the Coastal Act and proposed by the Staff Report.

30820(c)(3): The sensitivity of the resource affected by the violation

As discussed above, any environmental impacts resulting from Sable's onshore work were minimal and fell within the scope of impacts previously analyzed by the County, which

concluded that the Onshore Pipelines' right-of-way would be *permanently* impacted by ongoing repairs and maintenance work. Consistent with this conclusion, a 2020 Biological Resources Assessment confirmed that, because the Onshore Pipelines' alignment has remained predominantly disturbed due to ongoing maintenance activities, major pipeline work could be conducted without any substantial adverse effects on biological, botanical, wetland, or riparian resources. Subsequent ecological analyses and mapping have further confirmed that impacts resulting from Sable's onshore work remained within the scope of impacts previously analyzed and approved by the County. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts*; *Topical Response 12: Alleged New Onshore Sensitive Resources*.) In addition, Sable notes that placing metal grates over water courses and dewatering, in particular, are temporary measures that could not cause continuing damage to coastal resources or constitute an ongoing violation. (See *Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering*.) As discussed above, all excavation activities similarly were temporary in nature, and Sable endeavored to expeditiously backfill all excavation sites and implement erosion control measures and hydroseeding.

As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support the medium or maximum penalty under the Coastal Act, as proposed in the Staff Report.

30820(c)(4) The cost to the state of bringing the action

Any cost to the State results from the Commission's decision to pursue enforcement despite the County's written confirmation that no further Coastal Act authorization for the work is required. The County expressly confirmed that Sable's Anomaly Repair Work is authorized by the Onshore CDPs and that no further Coastal Act authorization is required for such work.⁵⁵ Similarly, Sable performed the Safety Valve Installation Work only after receiving confirmation from the County, which possesses delegated LCP authority under the Coastal Act, that no further authorization from the County was required.⁵⁶ These enforcement proceedings are driven by Commission staff's disagreements with the County's conclusions rather than specific violations of the Coastal Act or impacts to coastal resources. As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support the Staff Report's proposed medium or maximum penalty under the Coastal Act.

30820(c)(5) With respect to the violator, any voluntary restoration or remedial measures undertaken, any prior history of violations, the degree of culpability, economic profits, if any, resulting from, or expected to result as a consequence of, the violation, and such other matters as justice may require

⁵⁵ See Statement of Defense, pp. 10-24.

⁵⁶ See Statement of Defense, pp. 33-36.

Sable undertook the Anomaly Repair Work based on its understanding that no new coastal development permit or other Coastal Act authorization was required, consistent with the County's practice of authorizing repair work on the Onshore Pipelines since they were first permitted and built over 30 years ago. The County has subsequently confirmed that the Anomaly Repair Work was authorized by the Onshore EIR/EIS and Onshore CDPs and that no new coastal development permit or other Coastal Act authorization is needed. Similarly, Sable completed repair and maintenance work to install the referenced safety valves in compliance with requirements under state law – which the Coastal Commission supported – and only after receiving confirmation from the County, which possesses delegated LCP authority, that no further authorization from the County was required. Sable's actions were based on a reasonable understanding of its existing authorizations.

Sable also cooperated with Commission staff to develop an Interim Restoration Plan, which Commission staff approved, and undertook remedial measures to prevent immediate environmental harm at ongoing work sites in compliance with the Plan and the 2024 EDCDO. Sable subsequently has performed similar measures when restoring all other Anomaly Repair Work sites. (See *Topical Response 4: Allegations Regarding Staff's Issuance of 2024 EDCDO*.)

As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support the medium or maximum penalty under the Coastal Act that the Staff Report proposes.

Responses to "Offshore Violations"

As discussed above and in detail in the Statement of Defense, Sable disagrees with the Staff Report's characterization of the Span Remediation Work as "unpermitted development activities." (See *Topical Response 15: Alleged Offshore Violation of Coastal Act*.) The Staff Report also repeats its misleading portrayal of the offshore activities as extensive. The Span Remediation Work was conducted over only 150 linear feet of the Offshore Pipelines, impacting less than 0.07 acres of sea floor. (See *Topical Response 17: Allegations Regarding Scope of Span Remediation Work*.)

Throughout communications with Commission staff regarding the Span Remediation Work, Sable consistently demonstrated a commitment to ensuring compliance with all necessary authorizations. (See *Topical Response 21: Allegations Regarding Communications about Span Remediation Work*.) While Commission staff stated that the work required Coastal Act authorization,⁵⁷ Sable proceeded based on its reasonable understanding that such authorization was already in place under existing permits.⁵⁸ This understanding was consistent with past maintenance practices on the Offshore Pipelines, which historically have not required new CDPs or consistency certifications. Similar maintenance activities conducted by Exxon in 2012 were approved by the SLC and BSEE *without* objection from the Coastal Commission. Thus, the Staff Report's claim that Sable had "full knowledge" that undertaking the Span Remediation

⁵⁷ See Staff Report, Exhibit 8.

⁵⁸ See *id.*

Work “would be in violation of the Coastal Act” is not true. Sable believed then, as it does today, that such Span Remediation Work is allowed under its existing Offshore CDP.

The Staff Report repeats its implication that measures were not taken to prevent damage to coastal resources, yet this assertion is not supported by the Commission’s record. (See *Topical Response 18: Allegations Regarding Risks of Span Remediation Work.*)

Topical Response 25: Allegations Regarding Appropriateness of Sand-to-Cement Bags.
The Staff Report has not provided any evidence that the sand-to-cement bags used here “leach contaminants and degrade water quality.” As described in the Statement of Defense, these sand-to-cement bags are specifically designed for the exact purpose they were used for, here.⁵⁹ Furthermore, the Commission previously has authorized the use of concrete in offshore applications countless times where appropriate, underscoring the suitability of the materials used.⁶⁰ Indeed, concrete has been specifically found to be a desirable material for the creation of artificial reefs. California state agencies have found that concrete is a suitable material for offshore applications due to its durability and ability to provide a stable substrate for marine life. The California Department of Fish and Wildlife (“CDFW”) has utilized concrete in artificial reef projects, as detailed in the “A Guide to the Artificial Reefs of Southern CA,” where concrete is noted for its effectiveness in enhancing marine ecosystems by increasing habitat complexity and promoting biodiversity.⁶¹ The SLC has found that concrete is “determined to be suitable hard substrate material for marine organisms, e.g., kelp, will remain at the site ... to increase the habitat diversity of the hard bottom substrate design. This design was reviewed and approved by [CDFW] biologists and is consistent with [CDFW] guidelines for creating artificial reefs.”⁶² Finally, the Commission itself conducted an analysis of the effects of concrete on the marine environment and concluded “[b]ased on the normal constituents of concrete, discussions with experts who have experience with the use of concrete in the marine environment, and a literature search . . . that the use of concrete in the marine environment would not raise water quality or chemical leaching concerns.”⁶³ Thus, there is more evidence that the sand-to-cement bags will *enhance* the marine ecosystem by providing additional hard substrate habitats than there is evidence that the sand-to-cement bags will “leach contaminants and degrade water quality.”

Contrary to the Staff Report’s suggestion, sandbags alone would not be suitable for the Span Remediation Work. The purpose of the sand-to-cement bag supports is to decrease the spans to protect against seismic risks. Because sandbags alone would shift and settle under seismic events, they would not be suitable for supporting the pipeline during a seismic event. Instead the sand-to-cement bags are formulated to harden after initial placement, thus providing rigid support such that they will not shift during a seismic event.

⁵⁹ See Statement of Defense, pp. 56-58.

⁶⁰ See e.g., [CDP 9-13-0686](#) for the ExxonMobil SYU Offshore Power System Reliability-B Project which included the installation of concrete mats. The Commission’s staff report in that matter did not raise a concern regarding leaching contaminants.

⁶¹ CDFW, [A Guide to the Artificial Reefs of Southern California](#), pp. 3-4.

⁶² SLC, [PRC-421 Pier Removal Project – Bird Island](#), p. 3.

⁶³ Coastal Commission, [Consistency Determination CD-71-02](#), Exhibit 7.

Without conceding that the Span Remediation Work was not covered by Sable's existing CDP and thus no penalty is appropriate, as discussed, below, applying the maximum penalty to the Span Remediation Work is not warranted. First, the work is identical to work undertaken on these same pipelines by Sable's predecessor without the need for new Coastal Act authorizations and for which no enforcement action was commenced. Second, Sable undertook protective measures to avoid impacts to coastal resources. Third, the Span Remediation Work was conducted on less than 0.07 acres of seafloor. And fourth, as described above, coastal resources were not harmed. (See *Topical Response 26: Allegations Regarding Potential for Adverse Impacts from Span Remediation Work*.) As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, applying the maximum penalty allowed under the Coastal Act is unjustified.

30820(c)(1) The nature, circumstance, extent, and gravity of the violation

Topical Response 26: Allegations Regarding Potential for Adverse Impacts from Span Remediation Work. The Staff Report's assertion that the Span Remediation Work had the potential for adverse impacts to marine resources is speculative and unsupported by evidence. The issuance of a Notice to Mariners by the United States Coast Guard is a standard precautionary measure to ensure safety and does not inherently indicate disruption to commercial or recreational fishing activities. Furthermore, Sable employed best practices to prevent entanglement risks, including the use of a dynamically positioned vessel that eliminated the need for anchoring, thereby reducing potential disturbance to marine mammals and reptiles. Sable's contractors followed all applicable guidelines established by the Association of Diving Contractors International, U.S. Coast Guard, BSEE, and Occupational Safety and Health Administration.⁶⁴ There were six personnel responsible for the ROV operations including a superintendent, supervisor, pilots, and technicians.⁶⁵ The Staff Report's claim that marine mammals and marine reptiles could have become entangled in cables, including cables connecting the ROV to the vessel is not supported by evidence. Deck personnel monitored for marine wildlife during operations and no adverse wildlife encounters were noted.⁶⁶

The claim that sensitive benthic habitats could have been smothered is likewise not supported. The work was conducted entirely within the existing and previously disturbed right-of-way for the Offshore Pipelines. Figure 1, below, illustrates the areas of Span Remediation Work overlaid on a map created by CDFW, which provides a comprehensive estimate of benthic habitats in the region.⁶⁷ As shown, the Span Remediation Work was confined to soft-bottom habitat areas. Furthermore, previous surveys of the Span Remediation Work area did not

⁶⁴ Statement of Defense, Document No. 68, Sable Letter to SLC, Re: Sable Santa Ynez Unit- Emulsion, Gas and Water Pipelines Span Remediation Project – Additional Information Request, With Attachments (November 27, 2024).

⁶⁵ See *id.*

⁶⁶ Statement of Defense, Document No. 80, Santa Ynez Unit Pipeline Span Remediation Report, with Attachments (January 30, 2025).

⁶⁷ CDFW, [Predicted Nearshore Benthic Substrates of California-R7-CDFW](#).

identify the presence of other sensitive benthic habitats, such as sand dollar beds.⁶⁸ Thus, no sensitive habitats were impacted by the Span Remediation Work.

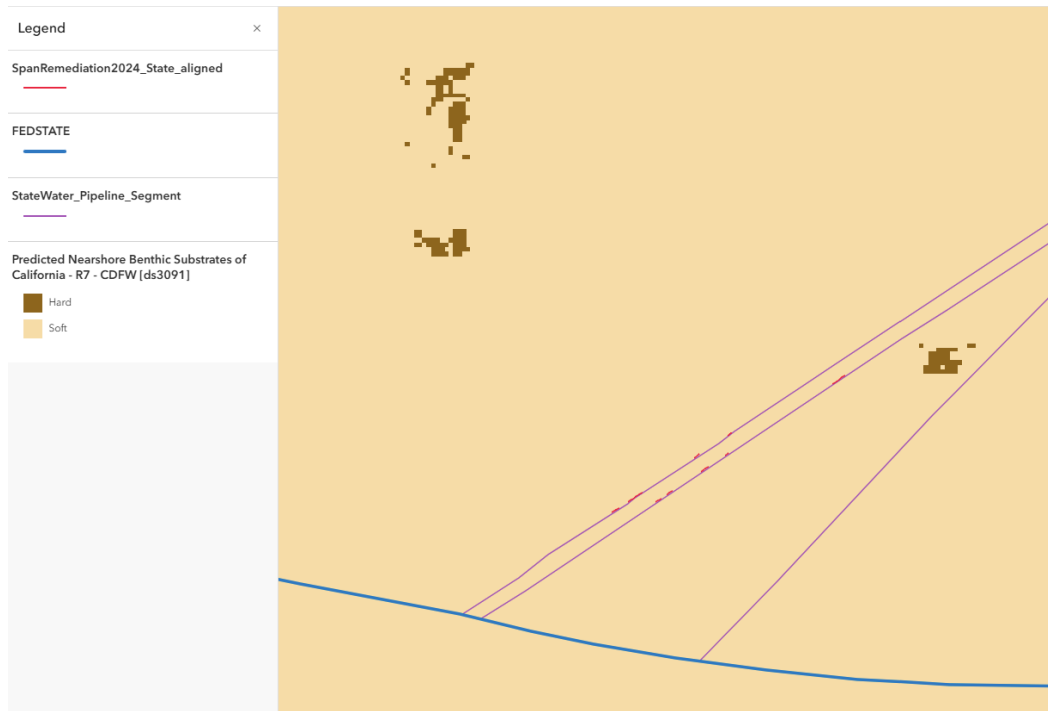


Figure 1. Predicted Nearshore Benthic Substrates of California

Further, as discussed above, the sand-to-cement bags will actually *increase* hard bottom substrates and thus be an overall benefit to the marine ecosystem, consistent with artificial reef projects this Commission previously has endorsed.⁶⁹ As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty (if any), and not the maximum penalty authorized by the Coastal Act.

30820(c)(2) Whether the violation is susceptible to restoration or other remedial measures

The Staff Report's assertion that construction debris and hazardous materials could have been released is speculative and contradicted by the fact that Sable implemented comprehensive environmental protection measures, including a hazardous spill contingency plan and

⁶⁸ SLC, [Mitigated Negative Declaration](#), EXXONMOBIL SANTA YNEZ UNIT (SYU) OFFSHORE POWER SYSTEM RELIABILITY – B PHASE 2 PROJECT (July 2014), p. 3-42 (discussion of sand dollar beds limited to the nearshore in depths less than 50 feet).

⁶⁹ See e.g., E-96-07, [Big Sycamore Canyon Ecological Reserve Artificial Reefs](#).

coordination with relevant authorities.⁷⁰ (See *Topical Response 18: Allegations Regarding Risks of Span Remediation Work*.) The Staff Report repeats its allegation that the sand-to-cement bags leach chemicals into the ocean in a manner that would affect water quality. As discussed above, this assertion is not supported by any evidence. (See *Topical Response 25: Allegations Regarding Appropriateness of Sand-to-Cement Bags*.) Sable's actions were guided by existing authorizations, and the work was conducted with safeguards in place, negating the need for additional remedial measures. As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty (if any), and not the maximum penalty authorized by the Coastal Act.

30820(c)(3) The sensitivity of the resource affected by the violation

The Staff Report baldly states that “[t]he resource affected by these violations is vegetation and habitat, so this factor weighs in favor of a high penalty amount.” However, the Staff Report does not provide any details of what sort of offshore vegetation or habitat may have been affected and whether that vegetation or habitat was sensitive. (See *Topical Response 26: Allegations Regarding Potential for Adverse Impacts from Span Remediation Work*.) Thus, the Staff Report's assertion that vegetation and habitat were both “sensitive” and “affected” is speculative and unsupported by evidence in the record. The Span Remediation Work was conducted following protocols to avoid adverse impacts on sensitive marine habitats, and no evidence has been presented to demonstrate harm. As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty (if any), and not the maximum penalty authorized by the Coastal Act.

30820(c)(4) The cost to the state of bringing the action

The cost to the state is not a direct consequence of Sable's actions but rather a result of the Commission's decision to pursue enforcement despite the existing authorizations. As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty (if any), and not the maximum penalty authorized by the Coastal Act.

30820(c)(5) With respect to the violator, any voluntary restoration or remedial measures undertaken, any prior history of violations, the degree of culpability, economic profits, if any, resulting from, or expected to result as a consequence of, the violation, and such other matters as justice may require

Sable voluntarily undertook measures to avoid impacts to coastal resources, including comprehensive environmental protection plans and coordination with relevant authorities.⁷¹ (See

⁷⁰ Statement of Defense, Document No. 68, Sable Letter to SLC, Re: Sable Santa Ynez Unit- Emulsion, Gas and Water Pipelines Span Remediation Project – Additional Information Request, With Attachments (November 27, 2024).

⁷¹ Statement of Defense, Document Nos. 60, Sable Letter to SLC re: Santa Ynez Unit Pipeline Span Remediation (November 19,

Topical Response 18: Allegations Regarding Risks of Span Remediation Work.) Sable undertook the Span Remediation Work in accordance with its obligations to the SLC, and with the explicit approval and oversight of that agency. The work was conducted as part of Sable’s commitment to maintaining pipeline integrity and safety, consistent with regulatory requirements set forth by the SLC. There is no prior history of violations, and the activities were driven by compliance with state agency directives. As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, justice does not require a high penalty (or any) in this context.

Responses to “Violation for Failure to Comply with Two EDCDOs”

The Staff Report states that it does not seek to impose penalties for any failure to comply with the 2024 EDCDO. Sable concurs with that determination, particularly given that Sable, ceased work in compliance with the 2024 EDCDO, submitted information satisfying its obligations under the 2024 EDCDO to seek Coastal Act authorization for the Anomaly Repair Work from the County, and fully implemented the Interim Restoration Plan.⁷² (See *Topical Response 20: Allegation of Failure to Apply for CDP under 2024 EDCDO.*)

The Staff Report nevertheless repeats its allegation that Sable violated the 2025 EDCDO by recommencing Anomaly Repair Work without the requisite Coastal Act authorization. For the reasons described above, Sable’s recommenced Anomaly Repair Work is not a violation of the Coastal Act because the County confirmed that such work is authorized by the Onshore CDPs. (See *Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work.*) The discussion below details each Coastal Act Section 30820(c) factor as applied to the Staff Report’s purported violation of the 2025 EDCDO.

30820(c)(1) The nature, circumstance, extent, and gravity of the violation

Sable recommenced the Anomaly Repair Work only after the County confirmed that such work is authorized by the Onshore EIR/EIS and Onshore CDPs and that no new coastal development permit or other Coastal Act authorization is needed. (See *Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work.*)

Importantly, as described above, any environmental impacts resulting from such work are minimal and fall within the scope of impacts previously analyzed by the County, which concluded that the Onshore Pipelines’ right-of-way would be *permanently* impacted by ongoing repairs and maintenance. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts.*) To the extent placing metal grates over water courses or dewatering is required, such measures are temporary in nature and could not cause continuing damage to coastal resources or constitute an ongoing violation. (See *Topical Response 7: Alleged Grading and Widening of*

2024), 67, SLC Letter to Sable Offshore, Re: Sable Santa Ynez Unit – Emulsion, Gas and Water Pipelines Span Remediation Project (November 26, 2024), 68, Sable Letter to SLC, Re: Sable Santa Ynez Unit- Emulsion, Gas and Water Pipelines Span Remediation Project – Additional Information Request, With Attachments (November 27, 2024), 69, SLC Email to SLC, Re: SYU Pipeline – Span Remediation – Request for Information (November 27, 2024), and 71, SLC Letter to Sable, Re: Re: Sable Santa Ynez Unit – Emulsion, Gas and Water Pipelines Span Remediation Project (December 4, 2024).

⁷² See Statement of Defense, p. 13.

Roads, Placing Metal Grates over Water Courses, and Dewatering.) All excavation activities similarly were temporary in nature, and Sable endeavored to expeditiously backfill all excavation sites and implement erosion control measures and hydroseeding. Finally, the Commission lacks jurisdiction over “pipeline removal, replacement, and reinforcement” or the “installation of safety valves” sufficient for such activities to constitute violations of the Coastal Act. (See *Topical Response 8: Alleged Violations Related to Pipeline Safety.*)

As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support the maximum penalty under the Coastal Act proposed in the Staff Report.

30820(c)(2) Whether the violation is susceptible to restoration or other remedial measures

As discussed above, any environmental impacts resulting from Sable’s recommended Anomaly Repair Work are minimal and fall within the scope of impacts previously analyzed by the County, which concluded that the Onshore Pipelines’ right-of-way would be *permanently* impacted by ongoing repairs and maintenance. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts.*) As noted above, placing metal grates over water courses and dewatering are temporary measures that could not cause continuing damage to coastal resources or constitute an ongoing violation. (See *Topical Response 7: Alleged Grading and Widening of Roads, Placing Metal Grates over Water Courses, and Dewatering.*) As discussed above, all excavation activities similarly were temporary in nature, and Sable endeavored to expeditiously backfill all excavation sites and implement erosion control measures and hydroseeding. As such, any short-term impacts can be restored or remediated.

As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support the Staff Report’s proposed maximum penalty under the Coastal Act.

30820(c)(3) The sensitivity of the resource affected by the violation

As described above, any environmental impacts resulting from Sable’s recommended Anomaly Repair Work are minimal and fall within the scope of impacts previously analyzed by the County, which concluded that the Onshore Pipelines’ right-of-way would be *permanently* impacted by ongoing repairs and maintenance. Consistent with this conclusion, a 2020 Biological Resources Assessment confirmed that, because the Onshore Pipelines’ alignment has remained predominantly disturbed due to ongoing maintenance activities, major pipeline work could be conducted without any substantial adverse effects on biological, botanical, wetland, or riparian resources. Subsequent ecological analyses and mapping have further confirmed that impacts resulting from Sable’s onshore work remained within the scope of impacts previously analyzed and approved by the County. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts*; *Topical Response 12: Alleged New Onshore Sensitive Resources.*) As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the

Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support the maximum penalty under the Coastal Act, as the Staff Report proposes.

30820(c)(4) The cost to the state of bringing the action

Any cost to the State results from the Commission's decision to pursue enforcement despite the County's written confirmation that no further Coastal Act authorization for Sable's Anomaly Repair Work is required. The County expressly confirmed that Sable's Anomaly Repair Work is authorized by the Onshore CDPs and that no further Coastal Act authorization is required for such work.⁷³ These enforcement proceedings are driven by Commission staff's disagreements with the County's conclusions rather than specific violations of the Coastal Act or impacts to coastal resources. As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support the Coastal Act's maximum penalty.

30820(c)(5) With respect to the violator, any voluntary restoration or remedial measures undertaken, any prior history of violations, the degree of culpability, economic profits, if any, resulting from, or expected to result as a consequence of, the violation, and such other matters as justice may require

Sable recommenced the Anomaly Repair Work only after the County confirmed that such work is authorized by the Onshore EIR/EIS and Onshore CDPs and that no new coastal development permit or other Coastal Act authorization is needed. (See *Topical Response 5: Alleged Violation of 2025 EDCDO for Recommencing Anomaly Repair Work*.) Commission staff disagrees with the County's conclusion, but that disagreement lies between the County and the Commission. Because the Coastal Act does not vest the Coastal Commission or Commission staff with the authority to undo the County's interpretation of its own, lawfully issued coastal development permit, Sable has proceeded under the County's determination that such work is authorized. As Sable has consistently maintained, no penalty should be imposed. Nevertheless, if the Commission applies the factors and assesses penalties, as set forth immediately above, this factor weighs in favor of a low penalty amount (if any), and does not support the maximum Coastal Act penalty, as the Staff Report proposes.

**VII. RESPONSES TO "DEFENSES ALLEGED AND RESPONSES THERETO"
(Staff Report, pp. 55-88)**

A. Responses to "Summary" (Staff Report, pp. 55-56)

As described above, Sable's Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work are not violations of the County's CZO, LCP, or the Coastal Act. (See *Topical Response 1: General Allegation of Coastal Act Violations*.) Sable submitted to the County application materials regarding the Anomaly Repair Work that allowed the County to

⁷³ See Statement of Defense, pp. 20-24.

review the work for compliance with the Onshore Pipelines' Conditions of Approval, FDP, CUP, and the Onshore CDPs. (See *Topical Response 9: Allegations Regarding Sable's Submissions to the County*.) On the basis of that information, the County confirmed that the Anomaly Repair Work is authorized by the Onshore CDPs. Similarly, Sable undertook the Safety Valve Installation Work only after receiving confirmation from the County that no authorization from the County was required for such work. In order to clarify for Commission staff whether the County's confirmation involved an exercise of its delegated LCP authority, Sable also submitted additional materials to the County regarding such work and understands that the County is still in the process of reviewing those materials. (See *Topical Response 10: The County's Review of Sable's Onshore Work*.)

The Staff Report's interpretation of the regulatory documents and approvals governing the Offshore Pipelines, including the EIR/EIS, DPP, and Offshore CDP, also fails to recognize their comprehensive scope and the integrated approach they establish for both construction and ongoing maintenance activities. These documents collectively provide a framework for ensuring the long-term functionality and safety of the SYU, encompassing necessary maintenance activities like the Span Remediation Work. Sable's actions were guided by a reasonable understanding of these documents, which anticipated and authorized repair and maintenance activities throughout the full lifetime of pipeline operations within the already disturbed corridors where the pipelines were built.⁷⁴

B. Responses to "Documents on Which Sable Relies for its Pre-Authorization Argument" (Staff Report, pp. 56-63)

a. Onshore

i. EIR/EIS

The Staff Report alleges that the Onshore EIR/EIS "does not appear to cover the instances of 'maintenance' development activities" undertaken as part of the Anomaly Repair Work and Safety Valve Installation Work or "an analysis of the types of impacts" that would likely result from such activities. The Staff Report is incorrect on both accounts.

The Staff Report's attempts to distinguish the Onshore Pipelines' operation from maintenance activities fails. The Onshore EIR/EIS expressly stated that its impact analysis extends throughout the Onshore Pipelines' entire lifetime, including both pipeline "operation" and "maintenance,"⁷⁵ and its impact discussion is divided between initial construction and "Operation/Maintenance," which plainly includes future repair and maintenance work necessary during the Onshore Pipelines' operation.⁷⁶

The Staff Report also implies that the Onshore Pipelines are not currently operational. To the contrary, the Onshore Pipelines actively are operated and maintained in compliance with local, state, and federal requirements, and continue to fall within the scope of the Onshore

⁷⁴ See Statement of Defense, pp. 43-51.

⁷⁵ See Statement of Defense, p. 13 (citing Document No. 3, Final Onshore EIR/EIS, Abstract, p. 2).

⁷⁶ See Statement of Defense, Document No. 2, Draft Onshore EIR/EIS, pp. 2-30 through 2-33.

EIR/EIS's contemplated operational phase. (See *Topical Response 14: Allegation that Pipelines are Not Operational*.)

The Staff Report asserts that only the maintenance activities specifically listed in “five bullet points” in Onshore EIR/EIS Section 2.2.4 could have been analyzed and approved by the Onshore EIR/EIS. The Staff Report's interpretation of Section 2.2.4 is unduly narrow. The Onshore EIR/EIS analyzed two major pipeline projects spanning several states. The range of potential routine maintenance activities anticipated for such major proposals cannot be encapsulated in the five bullet points in Section 2.2.4 cited by the Staff Report.

Rather, the entirety of Section 2.2.4 discusses potential maintenance activities that could occur along the Onshore Pipelines, and the five bullet points referenced by Commission staff are only provided on just one page of the section. In addition to those five bullet points, Section 2.2.4 also explicitly references the Onshore Pipelines' “required oil spill contingency response plan” and states that the “content” for such plans is included in Appendix H to the Onshore EIR/EIS.⁷⁷ The draft plan attached as Appendix H specifically acknowledged that routine maintenance activities occurring during the Onshore Pipelines' ongoing operation would include pipeline anomaly repairs. This document states that inspection “pigs” would be used to identify pipeline anomalies, and that (where required) pipeline anomalies would be repaired, “cleaned and recoated” or “removed and replaced,” and that “faulty ... sections of the pipe would be replaced as necessary,” in each case consistent with the Anomaly Repair Work undertaken by Sable.⁷⁸ This discussion confirms that the Onshore EIR/EIS analyzed anomaly repairs as a type of repair and maintenance work regardless of whether such repairs explicitly were included in Section 2.2.4's bullet point list.

Moreover, the Onshore EIR/EIS analyzed the installation of fifteen “[p]ipeline block and check valves [] located at strategic locations along the route,” including at “sensitive water crossings[,] to minimize oil losses into streams should the pipeline fail or be damaged.” ‘Check valves’ would be “designed to automatically prevent the backward flow of oil.” ‘Block valves,’ on the other hand, were anticipated to operate “us[ing] an electric motor to open and close the valve.” Sable's Safety Valve Installation Work involved the exact same type of work and valves.⁷⁹

The Staff Report repeatedly attempts to draw a distinction between the maintenance activities analyzed in the Onshore EIR/EIS (including pipeline anomaly repairs and safety valve installations) and the activities that the County “pre-authorized.” This purported distinction ignores the fact that the County has confirmed that Sable's Anomaly Repair Work was analyzed by the Onshore EIR/EIS and authorized by the Onshore Pipelines' FDP and Onshore CDPs. Similarly, Sable undertook the Safety Valve Installation Work based on the County's confirmation that no further County authorization was required to complete the work. The County has delegated LCP authority under the Coastal Act and therefore the County's prior authorization was understood by Sable to extend to Coastal Act permitting as well. Sable, in

⁷⁷ *Id.*, at p. 2-33.

⁷⁸ See Statement of Defense, pp. 13-14 (quoting Document No. 2, Draft Onshore EIR/EIS, Appendix H, p. 37).

⁷⁹ See Statement of Defense, p. 32 (quoting Document No. 2, Draft Onshore EIR/EIS, pp. 2-5, 2-6, 2-7, 2-32, 4-117, Glossary).

order to clear up any misunderstanding that Commission staff has surrounding the Safety Valve Installation Work, submitted additional materials regarding this work to the County for its confirmation as that such work complies with the Pipeline Project's existing FDP, Onshore CDPs, and Onshore EIR/EIS, and Sable understands that the County is still in the process of reviewing those materials.

The Staff Report also claims that the Onshore EIR/EIS did not "pre-authorize" "everything through abandonment." This argument is a red herring. Sable does not assert that the Onshore EIR/EIS authorized activities related to the Onshore Pipelines' abandonment. The Onshore EIR/EIS expressly discussed the types of pipeline anomaly repairs and safety valve installations involved with Sable's Anomaly Repair Work and Safety Valve Installation Work as aspects of the Onshore Pipelines' operational life, which is ongoing.

The Staff Report also alleges that portions of the Onshore Pipelines' route had not been surveyed for cultural resources or evaluated for National Register designation and, as such, compliance with a plan to mitigate cultural resources impacts would be required. Staff fails to demonstrate how this conclusion undermines or limits the Onshore EIR/EIS's analysis of future pipeline anomaly repairs or valve installations. Sable's Anomaly Repair Work and Safety Valve Installation Work occurred within the already-disturbed Onshore Pipelines' operational right-of-way and therefore do not have the potential of disturbing additional cultural resources. Nevertheless, Sable implemented construction best management practices to minimize impacts to archaeological resources, and archaeological resources analyses confirmed that with the implementation of those best management practices there would be no new significant impacts from the work and impacts remained within the scope of those previously analyzed and approved. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts.*)

ii. Final Development Plan (FDP) (85-DP-66cz)/CUP (March 1986)

The Staff Report alleges that the Onshore Pipelines' FDP could not have authorized the Anomaly Repair Work and Safety Valve Installation Work because its Project Description does not refer to "future maintenance activities." Commission staff reads the FDP too narrowly. The Staff Report ignores that the FDP's Project Description explicitly states that the Onshore Pipelines would require a "50-foot wide permanent easement."⁸⁰ As explained in the Onshore EIR/EIS, the Onshore Pipelines' operational phase was anticipated to include maintenance activities, such as anomaly repairs, and the 50-foot permanent easement along the Onshore Pipelines' operational right-of-way was intended to provide for such maintenance activities to occur.⁸¹ The FDP's reference to this permanent easement constitutes an acknowledgement that pipeline operational activities, such as anomaly repairs, would occur throughout the Onshore Pipelines' lifetime.

⁸⁰ See Statement of Defense, Document No. 5, County Planning Commission Actions for Celeron Pipeline Project (Mar. 3, 1986), p. 2.

⁸¹ See Statement of Defense, pp. 14-15.

iii. Santa Barbara County CDPs

The Staff Report asserts that the Onshore CDPs do not involve any language “relevant to the ‘pre-authorization of future maintenance activities’ issue.” As the Staff Report acknowledges, however, the Onshore CDPs incorporate the FDP and Conditions of Approval, which (as discussed below) acknowledge and authorized the exact type of ongoing pipeline maintenance activities involved in the Anomaly Repair Work and Safety Valve Installation Work.

iv. Conditions of Approval

The Staff Report argues that Condition P-2 does not authorize repair and maintenance activities because it only refers to “regular maintenance and safety inspections,” “corrosion monitoring and leak detection,” and “periodic safety audits” in the context of a Safety Inspection, Maintenance, and Quality Assurance Program that would be developed by the pipeline operator. The Staff Report claims that, because the program did not yet exist, any associated impacts “could not possibly have been evaluated.” The Staff Report is incorrect. The Onshore EIR/EIS contemplates a variety of maintenance and safety inspection, corrosion monitoring, and leak detection activities.⁸² Condition P-2 requires that the pipeline operator “shall” implement those activities as coordinated components of the project. The Condition does not require any further discretionary approvals, permits, or environmental analysis be undertaken. As such, Condition P-2 evidences that its activities were already analyzed – not that further permits would be required.

The Staff Report also ignores Condition A-13’s language indicating that major changes requiring a new or modified permit also may include “any ... activities which may, in the judgment of the County, result in significant changes to the impacts on the County.” Here, the County has repeatedly determined – and recently confirmed to the Commission in writing – that Anomaly Repair Work does not require any new or modified permit. As such, the Anomaly Repair Work does not constitute a major change as contemplated under Condition A-13.⁸³

v. Summary with respect to the Aforementioned Entitlement Documents

The Staff Report’s discussion in this section ignores the Onshore EIR/EIS’s explicit discussion of pipeline anomaly repairs and safety valve installations, which involve the exact same types of work involved in the Anomaly Repair Work and Safety Valve Installation Work.⁸⁴ The Staff Report also omits that the Onshore EIR/EIS, Conditions of Approval, FDP, and Onshore CDPs expressly contemplated that impacts to the Onshore Pipelines’ operational right-of-way would be permanently impacted by ongoing repair and maintenance activities like pipeline anomaly repairs throughout the pipelines’ operational lifetime.⁸⁵ These facts demonstrate that the Onshore EIR/EIS, Conditions of Approval, FDP, and Onshore CDPs

⁸² See Statement of Defense, Document No. 2, Draft Onshore EIR/EIS, pp. 2-31, 2-32.

⁸³ See Statement of Defense, p. 19.

⁸⁴ See Statement of Defense, pp. 13-15, 31-33.

⁸⁵ See Statement of Defense, pp. 14-20.

analyzed and authorized potential impacts resulting from the Anomaly Repair Work and Safety Valve Installation Work.

vi. Consent Decree

Contrary to the Staff Report's assertion, Sable does not contend that the *Consent Decree* provided authorization under the Coastal Act for the Anomaly Repair Work or Safety Valve Installation Work. Rather, Sable has relied on the County's express, written confirmation that Sable's Anomaly Repair Work is authorized by the Onshore CDPs and that no further Coastal Act authorization is required for such work.⁸⁶ Similarly, Sable performed the Safety Valve Installation Work only after receiving confirmation from the County, which is the delegated LCP authority under the Coastal Act, that no further authorization from the County was required for Sable to perform the work.⁸⁷

vii. Santa Barbara County Letters

The Staff Report buries, on page 60, its first substantive discussion of the County's determinations regarding the Anomaly Repair Work and Safety Valve Installation Work. The Staff Report claims that Sable has pointed to no evidence indicating that the Commission cannot supplant its interpretation of the Onshore CDPs and Onshore EIR/EIS for the County's. However, the County has possessed delegated LCP authority under the Coastal Act to issue local coastal development permits since 1981. The Coastal Act does not vest any authority in the Coastal Commission or Commission staff to supplant the County's interpretation of its own, lawfully issued coastal development permit pursuant to that delegated LCP authority.

As Sable has explained, Coastal Act Sections 30809 and 30810 allow the Commission to assert enforcement jurisdiction only in narrow circumstances including, as relevant here, where the local government "declines to act, or does not take action in a timely manner." Neither circumstance exists here. The County's confirmation that the Anomaly Repair Work falls within the scope of the Onshore CDPs does not mean that the County has declined to act within the meaning of Sections 30809 or 30810. Similarly, the County is undertaking an ongoing review of the Safety Valve Installation Work, but has not declined to act with respect to such work sufficient to trigger Sections 30809 or 30810.⁸⁸ As such, the Commission has no jurisdiction to issue any cease and desist orders – regardless of whether it disagrees with the County's conclusions.

Finally, the Staff Report attempts to characterize the County's confirmation that the Anomaly Repair Work was authorized by the Onshore CDPs as a mere "informal assessment." The Staff Report misquotes Sable's Statement of Defense, which simply stated that the County's confirmation is "consistent with informal non-discretionary assessments that the County undertakes on a regular basis to assess whether previously approved development activities conform with their authorizing permits and approvals."⁸⁹ Moreover, the County is under no

⁸⁶ See Statement of Defense, pp. 20-24.

⁸⁷ See Statement of Defense, pp. 33-36.

⁸⁸ See Statement of Defense, pp. 23-25, 37-38.

⁸⁹ See Statement of Defense, p. 23.

obligation to the Commission to provide citations or information supporting these types of determinations. Like all other local agencies, the County regularly undertakes these types of compliance assessments with respect to any permits it has issued, making the Commission's sudden claim of jurisdiction here even more staggering.

b. Offshore

i. EIR/EIS

The Staff Report incorrectly states that the Offshore EIS/EIR is “focused on the construction of the system and not future maintenance.” The Staff Report’s interpretation of the Offshore EIS/EIR for the Span Remediation Work overlooks the document’s comprehensive nature and its role in the regulatory framework governing the Offshore Pipelines. The Offshore EIS/EIR, required under CEQA and the National Environmental Policy Act (“NEPA”), was mandated to analyze the “whole of the project.” This analysis extends far beyond the initial installation of pipelines to include the operations and routine maintenance activities necessary for the long-term functionality and safety of the entire SYU, including the Offshore Pipelines.

The Staff Report’s limitation of its review of the Offshore EIS/EIR to the “Abstract” and “Executive Summary” is both artificial and absurd. Administrative agencies and the courts must look to the whole of the analysis provided in the document.⁹⁰ Moreover, even the Offshore EIS/EIR’s Executive Summary includes the statement: “The proposed project would develop oil and natural gas reserves in the SYU, located on the federal Outer Continental Shelf (OCS) in the western Santa Barbara Channel.”⁹¹ The language “develop” demonstrates an ongoing, iterative process demonstrating that the project analyzed is broader than just pipeline installation – it involved development over time that inherently requires ongoing operation and maintenance.

Regardless, there is no support in the Coastal Act or otherwise for staff’s artificial focus on limited Offshore EIS/EIR sections. Importantly, the Offshore EIS/EIR’s Project Description specifically includes a “Production” section, demonstrating that the analysis encompassed the entire project, including future activities beyond the initial installation.⁹² Another section of the Offshore EIS/EIR titled “System Safety and Reliability” “examines the future consequences for public safety and the potential for oil and gas spills in the environment as a possible result of the proposed development.”⁹³ This section goes on to discuss “Inspection and Maintenance” considerations.⁹⁴ This analysis demonstrates that the Offshore EIS/EIR considered future operation and maintenance activities like the Span Remediation Work.

The Staff Report also ignores the explicit reference to “ongoing maintenance of slope stabilization operations” that the Offshore EIS/EIR recognized would minimize geologic

⁹⁰ See Civil Code of Procedure section 1094.5 (administrative findings must be supported by substantial evidence in light of the whole record); *see also City of Fontana v. Cal. Dep’t of Tax & Fee Admin.*, 17 Cal. App. 5th 899, 919 (2017) (“The ‘in light of the whole record’ language means that the court reviewing the agency’s decision cannot just isolate the evidence supporting the findings and call it a day, thereby disregarding other relevant evidence in the record.”).

⁹¹ Statement of Defense, Document No. 1, Offshore EIS/EIR, p. ES-1.

⁹² *Id.* at p. 2-11.

⁹³ *Id.* at p. 6-222.

⁹⁴ *Id.* at p. 6-231.

impacts, which is discussed further in Sable’s Statement of Defense.⁹⁵ This acknowledgement underscores the Offshore EIS/EIR’s recognition of the necessity for ongoing maintenance activities as an integral part of minimizing environmental impacts over the project’s lifecycle. The reference to “ongoing maintenance of slope stabilization operations” directly supports the type of work undertaken by Sable, such as span remediation, as a necessary component of the project analyzed and ultimately approved to maintain the pipeline’s structural integrity over its lifetime.

ii. Development and Production Plan (DPP)

The Staff Report’s interpretation of the DPP overlooks the comprehensive nature of the document and its role in the regulatory framework governing the Offshore Pipelines. While the DPP may not explicitly include the words “span remediation,” it provides a detailed framework for the installation, maintenance, and operation of the pipelines, which inherently includes activities necessary to ensure their long-term stability and integrity.⁹⁶

Sable’s reference to the DPP’s discussion of the Offshore Pipelines in the Statement of Defense encompasses more than just the sizes and uses of the pipes. The DPP outlines the geotechnical considerations and design criteria necessary for maintaining pipeline stability, including submerged weight and trenching. These elements are integral to ensuring the pipelines remain secure and operational over time, which naturally includes addressing issues such as spans that may develop due to environmental changes over time – which is particularly important for a project designed to operate for decades. Indeed, the DPP mandates that the Offshore Pipelines be operated and inspected in compliance with the American Petroleum Institute’s Recommended Practice 1111 (“API 1111”), which outlines standards for the design, construction, operation, and maintenance of offshore hydrocarbon pipelines. API 1111 emphasizes the importance of addressing static loads and preventing unacceptably long unsupported pipeline spans through methods such as sand bagging, which aligns with Sable’s use of sand-to-cement bags for span remediation.⁹⁷

The DPP’s statement that the pipelines “will be maintained in good operating condition at all times” is a broad commitment to ongoing maintenance, which includes ensuring the pipelines’ stability within their marine environment. This commitment is consistent with industry standards that require adaptive management practices to address dynamic marine conditions, such as changes to the seafloor that may necessitate span remediation.

Furthermore, contrary to the Staff Report’s statement, the DPP’s discussion of submerged weight and trenching in the context of pipeline stability is not limited to initial deployment. Indeed, the preamble to the relevant section in the DPP states that “the proposed offshore pipelines will be designed to ensure construction **and operation** in a technically sound and environmentally acceptable manner.”⁹⁸ Thus, these design considerations are part of a comprehensive approach to pipeline management that anticipates the need for ongoing

⁹⁵ See Statement of Defense, p. 47.

⁹⁶ See Statement of Defense, pp. 45-49.

⁹⁷ See Statement of Defense, pp. 47-48.

⁹⁸ See Statement of Defense, Document No. 8, 1988 DPP, p. VIII-11 (emphasis added).

adjustments to maintain stability and integrity throughout the pipelines' operational life. The absence of explicit mention of span remediation does not negate the DPP's role in authorizing necessary maintenance activities, as the document provides a framework for addressing the full lifecycle of the pipelines.

iii. Coastal Development Permit CDP E-88-1 and Consistency Certification CC-64-87

The Staff Report's interpretation of the Offshore CDP and Consistency Certification overlooks the comprehensive nature of the original project approvals, which inherently encompass the full lifecycle of the Offshore Pipelines, including necessary maintenance activities. The DPP, which as described above included operations of the Offshore Pipelines, served as the project description that the Coastal Commission utilized when considering and approving the Offshore CDP and Consistency Certification.

As described in detail in the Statement of Defense, the Coastal Commission's staff report for the Offshore CDP and Consistency Certification explicitly stated that conditions from other agencies' approvals, such as the SLC's requirements for annual side-scan surveys to check for and correct bridging (aka "spans"), were incorporated into the project considered and approved by the Commission.⁹⁹ These safety measures were integral to the Commission's determination that the risks and impacts associated with the SYU and Offshore Pipelines had been mitigated to the maximum extent feasible. The Commission also relied upon and incorporated analysis from the Offshore EIS/EIR, which, as discussed above, noted that "[t]he cumulative geologic impacts are minimized using conventional geotechnical design and construction methods, including ongoing maintenance of slope stabilization operations."¹⁰⁰ This demonstrates the Commission's contemporaneous understanding that activities like the Span Remediation Work would occur in the future.

The Commission's findings recognized the complex geotechnical and environmental considerations involved in the installation and maintenance of the Offshore Pipelines. The importance of addressing potential geologic constraints through "proper mitigation," including "avoidance or ... engineering design," thus contemplated engineering solutions such as the deployment of sand-to-cement bags to create support piers. The Offshore CDP and Consistency Certification findings added that "[a]ll potential geologic constraints for the project (both onshore and offshore) have been identified and mitigated by avoidance or engineering design.... Soil movement forces have been minimized on the project by placing the pipelines directly on the seafloor."¹⁰¹

The Commission also recognized the need for flexibility in pipeline construction methods, allowing Exxon the latitude to "propose their own design solutions." This flexibility permits the adaptation of construction techniques, such as the deployment of the sand-to-cement burlap bags, which align with the original analysis and objectives of the Offshore CDP and

⁹⁹ See Statement of Defense, pp. 49-50.

¹⁰⁰ See Statement of Defense, Document No. 1, Offshore EIS/EIR, p. 6-52.

¹⁰¹ See Statement of Defense, p. 50.

Consistency Certification.¹⁰² The Marine Construction Mitigation Plan required by the Offshore CDP specifically contemplated the management of pipeline spans and the modification of the seafloor to address geologic constraints, approving future Span Remediation Work to inspect and remediate unacceptable spans.¹⁰³

In summary, the Commission's Offshore CDP and Consistency Certification findings and conditions acknowledged that addressing hazardous geologic conditions such as unacceptable spans through design and construction techniques, such as the Span Remediation Work performed by Sable, was part of the Commission's analysis and approval. Therefore, the assertion that further review was required for the Span Remediation Work is inconsistent with the comprehensive nature of the original project approvals.

iv. BSEE and SLC Letters

The Staff Report's interpretation of Sable's repair and maintenance approvals from the SLC and BSEE overlooks the context and regulatory framework within which Sable operated. The SLC's approval letter, which Sable received in December 2024 following an email approval to begin the work, indeed included a standard clause requiring the acquisition of all necessary permits from other agencies.¹⁰⁴ However, Sable's actions were based on a reasonable understanding that the existing CDP and associated regulatory documents, such as the DPP and the Offshore EIS/EIR, already encompassed the necessary authorizations for the Span Remediation Work. Sable explained its position in its November 19, 2024 email to Commission staff.¹⁰⁵

As described above and in detail in the Statement of Defense, it is important to note that the Span Remediation Work was consistent with the comprehensive regulatory framework established by the original project approvals and was conducted specifically in response to the SLC lease condition that the Coastal Commission acknowledged as part of the project when approving the Offshore CDP. The 2012 BSEE approval for Exxon to conduct span remediation without requiring new permits further supports the interpretation that such maintenance activities were anticipated and authorized under the existing approval framework, as well as routine. The Commission's lack of objection to the 2012 BSEE approval suggests an understanding that the work was consistent with the original project approvals and the Coastal Act.¹⁰⁶

Regarding the Commission's lack of response to being copied on a letter, the absence of an objection can reasonably be interpreted as tacit acknowledgment of the work's compliance with existing permits. While the Staff Report argues that this does not constitute a waiver of enforcement rights, it does highlight the historical context in which similar activities were conducted without additional CDP requirements and provide a reasonable basis for Sable to take the same position. It is notable that if the Commission had objected to Exxon's work even after

¹⁰² See Statement of Defense, p. 50.

¹⁰³ See Statement of Defense, p. 51.

¹⁰⁴ See Statement of Defense, Document No. 71, SLC Letter to Sable, Re: Re: Sable Santa Ynez Unit – Emulsion, Gas and Water Pipelines Span Remediation Project (December 4, 2024).

¹⁰⁵ See Staff Report, Exhibit No. 8.

¹⁰⁶ See Statement of Defense, pp. 60-61.

it had been conducted, it could have commenced enforcement proceedings after-the-fact. However, no such proceedings have been commenced in over a decade; Commission staff only chose to focus on this work when Sable undertook its onshore pipeline repair and maintenance activities.

Furthermore, while the Commission has reviewed and required authorization for similar span remediation work on other projects, each project is unique, and the regulatory context for Sable's pipelines, as established by the original Offshore CDP and associated documents, provide a robust framework that analyze and authorize ongoing maintenance activities. The Commission's past actions on other projects do not negate the comprehensive nature of Sable's existing authorizations.

C. Responses to "Other Themes in Sable's SOD" (Staff Report, pp. 63-68)

a. Preemption

The Pipeline Safety Act "clearly expresses the intent of Congress to fully occupy the field of oil and gas operations and interstate pipeline safety so that any state law that touches upon the area, even consistent state law, is preempted."¹⁰⁷ The Pipeline Safety Act is unequivocal: "A State authority may not adopt or continue in force safety standards for interstate pipeline facilities or interstate pipeline transportation."¹⁰⁸ The Pipeline Safety Act's preemptive effect applies to Sable's Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work. Even if the Onshore CDPs and Offshore CDP did not already permit Sable's work, which they do, any additional permitting requirements interfering with pipeline safety imposed by the Coastal Commission would be preempted as those requirements would "touch on" pipeline safety.

The Staff Report nevertheless includes sweeping assertions that the Commission's coastal development permitting authority is not preempted by federal and state law relating to pipeline safety, even if the Commission's authority interferes with a pipeline operator's compliance with those safety regulations. Sable addressed the extent to which federal and state law regarding pipeline safety, for which exclusive authority is vested with OSFM, could preempt the County's Code and CZO in its Statement of Defense. As explained therein, however, it is not necessary to discuss preemption further at this time, because the County expressly has confirmed that Sable's Anomaly Repair Work is authorized by the Onshore CDPs, and Sable undertook the Safety Valve Installation Work only after receiving confirmation that no further authorization from the County was required with respect to such work. Sable notes, however, that the Staff Report's attempt to distinguish *San Diego Gas & Electric Co. v. City of Carlsbad* (1998) 64 Cal.App.4th 785, fails. *City of Carlsbad* demonstrated the general principle that local regulations may be preempted when they conflict with an "essential maintenance activity" under state law. Similarly, here, the County LCP's coastal development permit requirement could be preempted

¹⁰⁷ *People ex rel. Sneddon v. Torch Energy Services, Inc.* (2002) 102 Cal.App.4th 181, as modified (Oct. 4, 2002).

¹⁰⁸ 49 U.S.C. § 60104(c).

if it conflicted with Sable’s ability to conduct pipeline maintenance repairs and install safety valves as required under federal and state law.¹⁰⁹

b. Jurisdiction

As discussed above, Sable disputes that the Commission possesses the authority to issue any of the Proposed Orders.¹¹⁰

D. Responses to “Additional Arguments” (Staff Report, pp. 69-88)

This Section of the Staff Report presents statements made by Sable in its Statement of Defense that Commission staff quoted in the Staff Report followed by the responses to those statements that Commission staff provided. Below, Sable rebuts the Staff Report’s responses in turn.

Respondent’s Claim: “the Coastal Commission does not have the authority to override or otherwise nullify either the County’s determination or the County’s interpretation of its own previously issued coastal development permits for the Onshore Pipelines” - Statement of Defense at page 2

Response: The County’s interpretation may be due some deference, but we are unaware of any authority to suggest that a permitting agency’s interpretation creates a conclusive presumption. Commission staff reviewed the relevant documents to try to determine whether the County’s reading is correct, and they reached out to the County to share their reading of the permits and other documents and attempt to coordinate with them, but the County did not engage in any meaningful dialogue or provide useful documentation to support their position, despite numerous requests from Commission staff over the span of over two months.

Staff also initiated a review process pursuant to section 13569 of the Commission’s regulations, in an attempt to foster further coordination with the County, understand the factual basis for its position and attempt to resolve this disagreement. However, the County continued to ignore requests to identify the sections and analysis in its historic CDPs for the pipeline that could be interpreted as pre-authorizing Sable’s current work.

The County has ignored these requests and consistently failed to identify any such information, leading Commission staff to reach the conclusions described above that no such information exists.

We are also unaware of any authority to suggest that the County’s letter has any independent legal significance such that we would need “authority to override or otherwise nullify” it. It is simply their position, and as such, we are free to disagree with it. Our positions are based on a reading of the relevant documents as discussed herein.

Sable Rebuttal: The Staff Report minimizes the County’s delegated LCP authority under the Coastal Act simply because Commission staff disagrees with the County’s conclusions. The Coastal Act confirms that deference is owed to local governments with certified LCPs, such as

¹⁰⁹ See Statement of Defense, pp. 28, 41.

¹¹⁰ See Statement of Defense, pp. 24-27, 37-40, 62-63.

the County, to issue and interpret local coastal development permits.¹¹¹ The County is under no obligation to the Commission to provide citations or evidence to support its conclusions regarding its lawfully-issued permits. Neither does the Coastal Act vest the Coastal Commission or Commission staff with the authority to undo the County's interpretation of its own, lawfully issued coastal development permits.

The County's interpretation is supported by information and materials Sable's submitted to the County, and those materials allowed the County to assess whether a new or amended coastal development permit is required. The County reviewed that information and confirmed that the Anomaly Repair Work falls within the scope of work that the Onshore CDPs authorized over the Onshore Pipelines' operational lifetime. The same conclusion should apply to the Safety Valve Installation Work, which involves the same level of construction disturbance as the Anomaly Repair Work.

Significantly, Commission staff ignores the history of the County's interpretation of the Onshore CDPs – which goes back decades. The County has consistently and repeatedly interpreted the Onshore CDPs to have authorized pipeline anomaly repairs, and never has required a new or amended coastal development permit for such work.¹¹² The Commission's longstanding failure to assert that these pipeline anomaly repairs required a new or amended coastal development permit weighs against such a determination here.¹¹³

The Commission also lacks jurisdiction under Section 13569 of the Coastal Act Regulations because the County has not made any determination as to whether the Anomaly Repair Work or Safety Valve Installation Work is exempt or excluded from the Coastal Act's permitting requirements or whether a decision would be appealable to the Coastal Commission.¹¹⁴ While Commission staff may object to the County's manner of communication and responsiveness, that does not change the fact that under the Coastal Act and its regulations, the County has not undertaken an action that is appealable to the Commission here.

Commission staff may be "free to disagree" with the County's interpretation of the Onshore CDPs, but the Coastal Act limits when the Commission can exercise enforcement authority where a local government has delegated LCP authority under the Coastal Act. Here, as explained above, the Commission lacks the authority to issue the Proposed Orders because the County has not declined to act within the meaning of Section 30810 of the Coastal Act. Instead, the County has confirmed that the Anomaly Repair Work is authorized by the Onshore CDPs and requires no further Coastal Act authorization, and the County confirmed that it did not possess permitting authority over the Safety Valve Installation Work.

¹¹¹ See Pub. Res. Code, § 30600.5. Compare *Citizens for Responsible Equitable Environmental Development v. City of San Diego* (2010) 184 Cal.App.4th 1032, 1047 (local agency "entitled to significant deference" in interpreting its own Municipal Code).

¹¹² See Statement of Defense, pp. 23-24.

¹¹³ See *Malaga County Water Dist. v. State Water Resources Control Bd.* (2020) 58 Cal.App.5th 447, 462-471.

¹¹⁴ See Statement of Defense, pp. 27-28, 41.

Respondent's Claim: "Commission staff appears to be asserting Commission jurisdiction over these already permitted activities in order to exert some influence over Sable's planned restart of the Santa Ynez Unit oil production operations." - Statement of Defense at page 3

Response: This speculation about the reasons for the Commission's assertion of jurisdiction is both baseless and irrelevant to the issues in this case. The action being taken here, and those which were taken previously by the Executive Director of the Commission, were taken to protect the coastal resources the Commission is charged with protecting and to ensure the integrity of the permit process.

In any event, the Commission has jurisdiction for the reasons stated in the body of this report, and as such, it can proceed regardless of Sable's speculation about motives or future issues.

Sable Rebuttal: Contrary to the Staff Report's assertions here, the Staff Report plainly states that each of the activities alleged to constitute violations of the Coastal Act were undertaken "all as part of an effort to restart" the Onshore Pipelines. Commission staff's sudden claim that this work requires a new coastal development permit, even though pipeline anomaly repairs have been undertaken on the Onshore Pipelines without a new permit for decades, suggests that the Staff Report's asserted violations are in fact driven by a desire to exert authority over potential restart. In any event, Commission staff's continuing focus on the restart of the pipelines in the Staff Report is not proper or relevant because the Commission possesses no authority or jurisdiction over pipeline restart activities, which is subject to the exclusive jurisdiction of the Office of the State Fire Marshal.¹¹⁵

Respondent's Claim: "Jurisdiction over restart activities is entirely outside of the Commission's jurisdiction" - Statement of Defense at page 3 and fn. 7, citing the Consent Decree with the parenthetical "requiring, in part, approval of a Restart Plan by the Office of the State Fire Marshal."

Response: Sable cites to nothing in the Consent Decree or any other authority for the proposition that restart is in the exclusive jurisdiction of the agencies that are parties to that document, and we are aware of nothing that would support this, but this point is irrelevant to the present dispute in any event, as the activities identified as having taken place without the required permit do not include restart of the pipeline, and the action here is addressing the need for Coastal Development Permits for development activities, and the importance of the associated protection of coastal resources under the permitting processes.

Sable Rebuttal: Sable does not claim that the Consent Decree establishes the Office of State Fire Marshal's exclusive jurisdiction over pipeline safety. To the contrary, the Staff Report itself acknowledges that California law vests the Office of the State Fire Marshal with the "exclusive safety and regulatory enforcement authority over intrastate hazardous liquid pipelines" and to implement the federal Pipeline Safety Act with respect to interstate pipelines.¹¹⁶ The Consent Decree evidences that exclusive authority by requiring that OSFM approve any Restart Plan for the Onshore Pipelines, but OSFM's exclusive authority does not emerge from the Consent

¹¹⁵ See Statement of Defense, p. 3.

¹¹⁶ See Staff Report, p. 63 (quoting Government Code, § 51010.)

Decree and therefore is not limited in effect to the agencies that are party to the Consent Decree.¹¹⁷

Respondent's Claim: "Since these facilities were constructed, the Coastal Commission has never asserted that any new or amended coastal development permits would be required for the type of anomaly repair and maintenance activities, safety valve installation work, or span remediation work described in the EDCDO/NOI." - Statement of Defense at page 6

Response: The Commission is unaware of any work of the nature or magnitude of the present project having occurred before. In fact, the Commission is unaware of being notified of any anomaly repair work or valve installation work having occurred previously, and Sable has only identified one instance, more than a decade ago, where the Commission was merely cc'd on a letter regarding offshore span remediation work. Thus, the fact that the Commission has never made an assertion regarding this sort of work before is indicative of nothing. Moreover, even if the Commission had been aware of similar work and had not affirmatively asserted that it required a permit, such silence would not and could not create a waiver of the applicable legal requirements.

Sable Rebuttal: The Onshore EIR/EIS and Onshore CDPs impose no limitation on the number of sites where anomaly repairs may be undertaken at any one time or over the Onshore Pipelines' lifetime. As such, the pipeline anomaly repairs contemplated under the Onshore EIR/EIS may be undertaken at any number of sites where such work is necessary at the same time or over a condensed period.¹¹⁸ The type of anomaly repairs that Sable has undertaken also could have been spread out over many years as anomalies were identified. However, Sable engaged in a more robust program of anomaly identification, which confirmed the need for additional repairs that Sable performed over several months. Nothing in the Staff Report demonstrates that the "magnitude" of anomaly repairs staff references creates new impacts under the Coastal Act that were not analyzed in the Onshore EIR/EIS and authorized under the Onshore CDPs. Yet Commission staff assert without any support that the number of anomaly repairs Sable performed somehow justifies the Commission's interference in the County's administration of the Onshore CDPs.

Regardless of whether the Commission had notice of past anomaly repair activities, the County repeatedly exercised its delegated LCP authority under the Coastal Act over decades to conclude that pipeline anomaly repairs were authorized by the Onshore CDPs, and further notified Sable that its Safety Valve Installation Work did not fall within the County's permitting jurisdiction.¹¹⁹ It would be disingenuous for Commission staff to claim it was not aware anomaly repairs have been authorized or conducted on the Onshore Pipelines over the past 30 years given staff's

¹¹⁷ See Statement of Defense, pp. 3, 28-29 (citing Government Code, § 51010 (vesting OSFM with the "exclusive safety[,] regulatory and enforcement authority over intrastate hazardous liquid pipelines" and establishing OSFM as the implementing authority for the federal Hazardous Liquid Pipeline Safety Act and "federal pipeline safety regulations as to those portions of interstate pipelines" located in California). See also 19 C.C.R. §§ 2000 (OSFM's adoption of the Pipeline and Hazardous Materials Safety Administration (PHMSA) implementing regulations), 2100 et seq. (regulating new and replacement pipelines in certain areas within the Coastal Zone)).

¹¹⁸ See Statement of Defense, p. 14.

¹¹⁹ See Statement of Defense, pp. 17, 35-36.

understanding of the numerous permitted oil pipelines within the Coastal Zone throughout the state.

Respondent's Claim: "Sable's anomaly repair work is an important protective measure for coastal resources and part of exercising the "utmost caution" urged by Commission staff – not an activity that threatens coastal harm or increases the risk of a potential future oil spill. Statement of Defense at page 12

Response: In addition to the general point made in the previous section, we note that here is no oil flowing through the pipelines at this time, so the only risk created by the current action is from the work being performed. Leaving the anomalies unresolved while they seek a permit would create no risk as long as the pipeline is idle. The Commission is merely saying that any such development activities need a CDP and with it a review of the methods, timing and impacts of work to determine whether the work can be conditioned to avoid or minimize impacts on coastal resources and made consistent with Coastal Act protections, and to determine what conditions and mitigations are appropriate and necessary.

Sable Rebuttal: Whether oil is flowing through the Onshore Pipelines is immaterial to whether the Anomaly Repair Work and Safety Valve Installation Work are consistent with and authorized by the Onshore CDPs. Here, the County, which exercises delegated LCP under the Coastal Act, has confirmed that Sable's Anomaly Repair Work is authorized by the Onshore CDPs and that no further Coastal Act authorization is required for such work, and Sable undertook the Safety Valve Installation Work only after the County confirmed that it would not require additional permits for such work.¹²⁰

Respondent's Claim: "The Onshore EIR/EIS explains that its impact analysis extends through the Onshore Pipelines' entire lifetime, including both pipeline "operation" and "maintenance." - Statement of Defense at page 13

Response: That page of the Final EIR/EIS also refers to impacts through abandonment. Thus, the logical extension of Sable's argument would be that abandonment was also pre-authorized, which is an untenable position, given the extensive regulation of that process. That fact demonstrates that this reliance is a misreading of the provision.

In any case, as was stated on page 3 of the Notice of Intent for the second EDCDO, while it may be prudent and perhaps even required, as part of the CEQA and NEPA process, to predict the impacts that may occur down the line from a proposed project by taking into consideration future maintenance, that certainly is not the same as pre-authorizing all such maintenance.

Sable Rebuttal: The Staff Report's comparison of routine pipeline anomaly repair and maintenance work with the heavily-regulated abandonment process is unconvincing. As an initial matter, Sable does not assert that specific abandonment activities were analyzed in the Onshore EIR/EIS. While the Onshore EIR/EIS analyzes some abandonment activities, the document explicitly states that any "abandonment procedures would be subject to appropriate

¹²⁰ See Statement of Defense, pp. 20-24, 33-36.

existing local, state, and federal regulations.”¹²¹ Commission staff has identified no similar caveat for repair and maintenance work because there is none.

Unlike specific steps in the abandonment process, routine maintenance activities including pipeline anomaly repair work and safety valve installation work specifically were discussed and analyzed throughout the Onshore EIR/EIS as part of the Onshore Pipeline’s operations, supporting the County’s determination that the Anomaly Repair Work is authorized by the Onshore Pipelines’ existing approvals. The same conclusion should be true for the Safety Valve Installation Work, which the County is reviewing now.¹²²

The Staff Report’s strained distinction between what activities were analyzed versus pre-authorized also fails because the County – which issued the Onshore CDPs under its delegated LCP authority – has expressly confirmed that the Anomaly Repair Work was in fact authorized by the Onshore CDPs. The County has made no such statement or claim concerning abandonment.

Respondent’s Claim: “the Onshore EIR/EIS incorporates into the Pipeline Project’s project description certain Oil Spill Contingency and Emergency Response Plans that address ongoing pipeline maintenance” - Statement of Defense at page 13

Response: Sable cites nothing in support of this claim, and it appears to be untrue. The Draft EIR/EIS project description appears on pdf page 4 and says nothing about the oil spill contingency plan. Section 2 provides more detail on the project, and section 2.2.4 (pdf pages 126-127) talks about maintenance, but it says nothing about the sort of work at issue now, or about the oil spill contingency plan as being incorporated. It just says that such a plan would be prepared (2-12 & 2-33, pdf pages 108 & 129) and attaches a draft plan, but nothing in the document says that it was being incorporated as part of the project, and in fact, it is listed as being a preliminary draft. Footnote 4 of the impacts table (S-13, pdf page 21) says that use of such a contingency plan “as part of the project description, would” reduce the risk of an oil spill, but it doesn’t say that such a plan is part of the project description. The Final EIR/EIS is even clearer that no such plan is incorporated. It does not even include such a plan as an exhibit, and it merely says that one will be prepared (2- 62, 2-133, pdf pages 130, 201). This also makes Sable’s arguments about the details of the draft plan (discussed on pages 13-14 of the SOD) irrelevant. Nor is it true, as Sable claims at page 13 (and Sable cites nothing to support this claim) that the EIR/EIS “incorporates [the oil spill contingency plan, which was still in draft form] into the Pipeline Project’s project description.”

Sable Rebuttal: The Staff Report narrowly reads the Onshore EIR/EIS’s project description to minimize the importance of the Onshore EIR/EIS’s draft Oil Spill Contingency Response Plan. First, Commission staff appears to refer to the Draft Onshore EIR/EIS’s “Abstract” (at PDF p. 4) as the “Project Description,” but the Abstract is not the Project Description and includes just one full page of text, when the full EIR/EIS spans well over 1,000 pages of description and analysis. Chapter 2.2 of the Onshore EIR/EIS comprises its 35-page “Project Description.” Section 2.2.4 discusses the Onshore Pipelines’ “Operation/Maintenance” phase as a part of the Project Description. Section 2.2.4 specifically discusses maintenance work associated with the Onshore Pipelines’ “required oil spill contingency response plan,” the “content” for which is included in

¹²¹ See Statement of Defense, Document No. 2, Draft Onshore EIR/EIS, p. 2-35.

¹²² See Statement of Defense, pp. 13-15, 31-33.

draft form as Appendix H to the Onshore EIR/EIS. The draft Plan in Appendix H expressly includes the steps undertaken by Sable as part of the Anomaly Repair Work. Like the Anomaly Repair Work, the Plan's contemplated anomaly repairs would occur within the Onshore Pipelines' operational right-of-way, where impacts were anticipated to be permanent due to ongoing repair and maintenance. The Onshore EIR/EIS concludes that compliance with the Plan, "*as part of the project description*," would reduce the risk of an oil spill and associated impacts to soils, surface water, aquatic biology, and land use and recreation.¹²³ The draft Plan evidences the fact that pipeline anomaly repairs conducted in compliance with the Onshore EIR/EIS's draft Oil Spill Contingency Response plans were analyzed under the Onshore EIR/EIS as part of the overall Project Description.

The Staff Report also focuses on select portions of the Onshore EIR/EIS that characterize the project without mentioning the draft Oil Spill Contingency Response Plan. Those citations similarly are unavailing. The Onshore EIR/EIS covers two major pipeline proposals spanning multiple states; it cannot feasibly restate each and every project component every time the project is characterized in the document.

Respondent's Claim: "The Onshore EIR/EIS concludes that compliance with these plans would "substantially reduce the oil spill risk" and reduce any significant impacts that would result from a major oil spill, including impacts related to soils, surface water, aquatic biology, and land use and recreation." - Statement of Defense at page 14

Response: That doesn't mean that the impacts of all such work was addressed in the EIS/EIR. This statement (which appears on pdf page 174 of the FEIR/FEIS) was in response to a SCAG comment saying that, in order to reduce the likelihood of failures, the pipeline should be monitored and segments should be replaced as they age and deteriorate; and the response was merely that faulty segments will be replaced as necessary. In other words, it was merely noting that monitoring and maintenance were anticipated. But there is no analysis of the impacts of repeatedly having to access sites and expose pipelines, much less a suggestion that the impacts of all such future work, for all time, and however accomplished, was being mitigated up front.

Sable Rebuttal: As a required component of the project, the Onshore EIR/EIS was required to analyze impacts resulting from the implementation of the Oil Spill Contingency Response Plan, which was attached in draft form as an Exhibit to the document, including pipeline anomaly repairs.¹²⁴ The Staff Report's response also ignores that the Onshore EIR/EIS concluded the Onshore Pipelines' *entire* operational right-of-way would be disturbed by initial construction and remain *permanently*, and significantly and unavoidably, impacted by ongoing pipeline repair and maintenance activities like pipeline anomaly repairs. The Onshore EIR/EIS's conclusion remains true today. Due in part to that permanent disturbance along the Onshore Pipelines' operational corridor, a 2020 Biological Resources Assessment confirmed that major pipeline work can be conducted within the Onshore Pipelines' operational right-of-way without resulting

¹²³ See Statement of Defense, pp. 13-14 (emphasis added) (quoting Document No. 2, Draft Onshore EIR/EIS, pp. S-5 through S-14, 4-39).

¹²⁴ See Statement of Defense, Document No. 2, Draft Onshore EIR/EIS, p. p. 2-33 (characterizing the oil spill contingency response plan as "required"); *Laurel Heights Improvement Assn. v. Regents of University of California* (1988) 47 Cal.3d 376, 396 (CEQA analysis must include analysis of environmental effects of reasonably foreseeable consequences of initial project).

in “any substantial adverse effects on or significant impacts to biological, botanical, wetland, or riparian habitat resources.”¹²⁵

Respondent’s Claim: “Significantly, in performing its analysis of future anomaly repairs along the pipelines’ route, the Onshore EIR/EIS acknowledges that impacts to environmentally sensitive habitat areas (ESHA), such as oak woodlands, within the pipelines’ right-of-way would be permanent (i.e., extending throughout the pipelines’ lifetime due to anticipated and ongoing maintenance activities) and constitute a significant environmental impact.” - Statement of Defense at page 14

Response: The project involved the destruction of the existing oak woodland, and the Draft EIR/EIS recognized that this would be a permanent impact to an existing resource, but that doesn’t imply that all the other impacts that would result from repeated ground disturbance were also considered as part of the project. Moreover, it did not analyze or mitigate for other impacts to resources, nor did it anticipate or address the other resources that might exist or be impacted.

Sable Rebuttal: The Staff Report’s assertion ignores the practical reality that pipeline construction would have disturbed the entirety of the Onshore Pipelines’ corridor – not just oak trees. The oak woodland reference was used as an example of the permanent impact. The Onshore EIR/EIS analyzed all potential impacts to terrestrial biology resulting from construction and operation of the Onshore Pipelines, including maintenance activities like anomaly repair work. The Onshore Pipelines’ Conditions of Approval confirm that permanent impacts to other resources along the Onshore Pipelines’ operational right of way, such as the catalina mariposa lily and refugio manzanita, were analyzed and approved as permanent, long-term impacts.¹²⁶ Therefore, contrary to Commission staff’s statements, ongoing ground disturbance and associated impacts were analyzed and disclosed in the Onshore EIR/EIS.

Respondent’s Claim: “The Anomaly Repair Work occurs within the boundaries of the right-of-way analyzed in the Onshore EIR/EIS, which was disturbed by Onshore Pipeline construction and has remained impacted.” - Statement of Defense at page 14 “the Onshore Pipelines’ right-of-way has remained relatively devoid of mature vegetation.” - Statement of Defense at page 15

Response: This only goes to the merits of whether the work is approvable, not whether it requires a CDP. Moreover, the “Anomaly Repair Work” was done in a very significant number of places and habitats, and the claim that the areas were “disturbed by Onshore Pipeline construction” conducted over three decades ago and the claim that it “as remained impacted” is clearly not accurate. In many places, in the decades since the pipeline was constructed, the vegetation in the areas has grown back, and with it there have been animals and plants that have located in those areas, some of which are protected. See the discussion regarding resources impacted. This would mean that, in addition to not being legal or sufficient “preapproval” would also be not accurate or protective.

Sable Rebuttal: Here, the Staff Report pivots from arguing that impacts resulting from the Anomaly Repair Work were not analyzed in the Onshore EIR/EIS to instead argue that such work was not authorized by the Onshore CDPs. Again, however, the Staff Report ignores that the County has expressly confirmed that the Anomaly Repair Work was authorized by the

¹²⁵ See Statement of Defense, pp. 14-15.

¹²⁶ See Statement of Defense, pp. 14-18.

Onshore CDPs.¹²⁷ Contrary to the Staff Report’s assertions, a 2020 Biological Resources Assessment confirmed that initial construction and “subsequent ongoing maintenance activities” along the Onshore Pipelines have resulted in a “readily recognizable corridor” along the pipeline’s alignment of “predominantly grassland habitat.”¹²⁸ This 2020 Biological Resources Assessment is consistent with Sable’s subsequent ecological resource analyses that have confirmed that impacts resulting from the Anomaly Repair Work and Safety Valve Installation Work remained within the scope of impacts previously analyzed and approved. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts*.)

Respondent’s Claim: “an October 2020 Biological Resources Assessment confirmed that major work could be conducted in the Onshore Pipeline’ maintenance corridor” without any substantial adverse effects on or significant impacts to biological, botanical, wetland or riparian habitat resources. - Statement of Defense at page 15

Response: There are several problems with reliance on this document. First, there is no indication, nor could we find any evidence that this “biological resources assessment” was reviewed or approved by any regulatory agency, including the Commission. It is impossible to verify that this was sufficient or accurate nor what it relied on. Second, it is likely outdated and not reflective of current conditions, the field work having been conducted more than eight years ago. Third, its conclusions are dependent on the implementation of certain “avoidance and mitigation measures” (see page 8), and without any regulatory oversight, it is impossible to confirm whether such measures were implemented. Fourth, it appears to employ a definition of “short term and temporary” (in describing the work) that is not consistent with the Commission’s understanding of how those terms apply to ecological impacts. Moreover, it would be very difficult for such an assessment to predict any and all work that could be done, whatever the extent and location, and flatly determine that there would be no impacts. Further, it seems very unlikely to have no significant impacts to, for example wetlands habitat, since some of the areas in which work was done include Environmentally Sensitive Habitat Areas (ESHA) and wetlands.

In any event, this is not relevant to the question of whether the work required a permit, and moreover, if it is true that there would be and were not impacts at all, then securing such a permit it should be easy.

Sable Rebuttal: The Staff Report’s speculation that this nearly 100-page biological resources assessment which was formally submitted to the County and is available to be downloaded from the County’s website is inaccurate, insufficient, or lacking support is baseless. The assessment was prepared as part of the previously proposed pipeline replacement project and demonstrates that major pipeline work can be conducted within the Onshore Pipelines’ operational right-of-way *without* resulting in “any substantial adverse effects on or significant impacts to biological, botanical, wetland, or riparian habitat resources.”¹²⁹ This prior analysis supports that the pipeline corridor has remained largely disturbed since the Onshore Pipeline was first constructed. Sable also implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines’ prior impact analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resource analyses have confirmed that impacts

¹²⁷ See Statement of Defense, pp. 20-24.

¹²⁸ See Statement of Defense, Document No. 36, SCS Engineers, “Line 901 & Line 903 Replacement Project: 2nd Revised Biological Resources Assessment” (October 5, 2020), p. 19.

¹²⁹ See Statement of Defense, p. 15.

resulting from such work remained within the scope of impacts previously analyzed and approved. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts.*)

Respondent's Claim: "[FDP] Condition J-11 acknowledges that the Onshore Pipelines' right-of-way will be used for 'operational maintenance'." "Condition J-11 is broadly drafted to cover the varied types of repair and maintenance activities discussed in the Onshore EIR/EIS" - Statement of Defense at page 16

Response: This is misrepresentation of the record. The provision at issue actually says that use will be "restricted to" operational maintenance, which is a limitation on what can be done in that area, not a pre-authorization of work. Nor does it say anything about encompassing everything discussed in the EIR/EIS, but even were it to do so, that would merely make this argument derivative of Sable's overly-broad reading of that EIR/EIS, which does not state that maintenance is pre-authorized. And even if it were, there are no "varied types of repair and maintenance activities discussed in the Onshore EIR/EIS." The Final contains no discussion, and the Draft discusses a very limited scope of maintenance activities, as indicated above.

Sable Rebuttal: Contrary to the Staff Report's assertions, Sable did not claim that Condition J-11 independently authorized repair and maintenance activities. Neither did Sable misrepresent Condition J-11, which it quotes in full in the Statement of Defense (including with the "restricted to" language cited by the Staff Report).¹³⁰ Condition J-11 acknowledges, consistent with the Onshore EIR/EIS's analysis, that the Onshore Pipelines' operational right-of-way would be used for ongoing repair and maintenance activities, including the Anomaly Repair Work, and therefore that impacts to terrestrial biology along the pipelines' corridor would be permanent.

Respondent's Claim: "Condition P-2 similarly contemplates that the pipeline operator will conduct 'regular maintenance and safety inspections'." - Statement of Defense at page 16

Response: First, that condition requires implementation of its requirements "during construction and operations," and neither of those is occurring now. Second, it provides no detail as to what sort of maintenance is envisioned. And third, even if it were requiring this sort of maintenance at a time when the pipeline is inoperative, that does not mean that it is authorizing that work in advance without needing to get a permit to regulate the manner in which that work is done.

Sable Rebuttal: The Staff Reports cites no support for its assertion that "operations" only occur when oil is flowing through the Onshore Pipelines. The Onshore Pipelines actively are operated and maintained in compliance with local, state, and federal requirements, and continue to fall within the scope of the Onshore EIR/EIS's contemplated operational phase.¹³¹ (See *Topical Response 14: Allegation that Pipelines are Not Operational.*)

The Onshore EIR/EIS clearly discussed both "operations" and "maintenance," including work to repair pipeline anomalies involving the exact same steps as the Anomaly Repair Work. Finally, the Staff Report resorts to its argument that Anomaly Repair Work could not have been pre-

¹³⁰ See Statement of Defense, p. 16.

¹³¹ See Statement of Defense, p. 13.

authorized, ignoring that, here, the County has expressly confirmed that such work was in fact authorized by the Onshore Pipelines FDP and Onshore CDPs.¹³²

Respondent's Claim: "Condition P-2 states that 'permits may not be withheld or suspended due to County concerns which are under the jurisdiction of 49 CFR Part 195'." - Statement of Defense at page 16

Response: This actually demonstrates that future permitting was, in fact, anticipated. It also only applies to the County. Third, the Commission is not proposing to withhold or suspend permits, but merely to be given the opportunity to conduct the permit review process. And fourth, it's not clear that the cited regulation applies to an idle pipeline.

Sable Rebuttal: Condition P-2's language simply constitutes an acknowledgement by the County that its authority over pipeline safety repairs is limited; it does not affirmatively suggest that future pipeline repair work requires new coastal development permits or other Coastal Act authorizations. The County exercises delegated LCP authority under the Coastal Act, and the Staff Report has not asserted that any of Sable's Anomaly Repair Work falls within its original jurisdiction. As such, Sable did not need to seek Coastal Act authorization from the Commission in order to perform such work.¹³³

Respondent's Claim: "Commission staff's interpretation is in direct conflict with the County's permitting history for the Onshore Pipelines over the past 30 years where the County consistently has authorized Anomaly Repair Work without requiring a new or amended coastal development permit" - Statement of Defense at page 17

Response: The County's past practices are not binding on the Commission or dispositive of the legal requirements of the Coastal Act. Further, the facts and circumstances of these alleged past activities have not been provided for review by Commission staff. In certain locations and circumstances described in the Coastal Act and Commission's regulations, repair and maintenance activities may be exempt from Coastal Act review. As such, past activities may legitimately not have required authorization.

Sable Rebuttal: Despite Commission staff's attempt to minimize it, the Commission's failure to have objected previously to the County's decades-long interpretation that pipeline anomaly repairs are authorized by the Onshore CDPs has legal significance. Sable undertook the Anomaly Repair Work in the first instance based on the County's historic practice of allowing such work to occur without obtaining a new or amended coastal development permit, which the Commission has never challenged. The Commission's sudden assertion that the Onshore CDPs do not allow the Anomaly Repair Work is therefore unreasonably delayed and prejudiced Sable.¹³⁴ Further, Commission staff's sudden interest in the routine maintenance activities that have been performed on the Onshore Pipelines under the County's authority for decades suggests that the Staff Report's asserted violations are in fact driven by a desire to exert authority over the potential future restart of the Onshore Pipelines.

¹³² See Statement of Defense, pp. 13-18, 20-24.

¹³³ See Statement of Defense, p. 17.

¹³⁴ See Statement of Defense, p. 17.

Respondent's Claim: "the Onshore EIR/EIS and Conditions of Approval addressed biological impacts from the installation of the Onshore Pipelines and their ongoing repair and maintenance, such as the Anomaly Repair Work and imposed mitigation to account for permanent impacts" - Statement of Defense at page 17

Response: Sable cites nothing to indicate that the sort of anomaly repair work at issue was ever contemplated, and the biological impacts envisioned in the EIR/EIS were only from the permanent removal of the oak woodlands, not from impacts to other sensitive habitats that might emerge over time nor any species they might support, or to water quality from runoff from work on steep slopes or being done during the rainy season.

Sable Rebuttal: Again, the Staff Report ignores and minimizes the explicit discussion of pipeline anomaly repairs in the Onshore EIR/EIS's draft Oil Spill Contingency Response Plan. The Onshore EIR/EIS concludes that compliance with an oil spill contingency response plan would reduce the risk of an oil spill and associated impacts to soils, surface water, aquatic biology, and land use and recreation. The Onshore EIR/EIS incorporated the draft Oil Spill Contingency Response Plan as an example of the types of activities that such a plan would include. The Plan expressly includes the steps undertaken by Sable as part of the Anomaly Repair Work. Like the Anomaly Repair Work, the Plan's contemplated anomaly repairs would occur within the Onshore Pipelines' operational right-of-way, where impacts were anticipated to be permanent due to ongoing repair and maintenance.¹³⁵

Respondent's Claim: "Similarly, Conditions H-10 and H-11 required the pipeline operator to, after construction, replace and revegetate any disturbed catalina mariposa lily and refugio manzanita in locations "in or near" the disturbed area, but "*exclusive of the operation [right-of-way]*."" - Statement of Defense at page 18

Response: This just shows that it was anticipated that the right-of-way would be disturbed again, so it would be pointless to plant sensitive species there. That disturbance could be from driving directly on the area of the pipeline location, which has few (if any) of the significant adverse effects of grading whole new roads, excavating pipe, stockpiling dirt, etc. In other words, this doesn't show that the current work was anticipated or mitigated, much less pre-authorized.

Sable Rebuttal: Like Condition J-11, Conditions H-10 and H-11 acknowledge that the Onshore Pipelines' operational right-of-way would be utilized for ongoing repair and maintenance activities. The Staff Report cites nothing in the Onshore EIR/EIS or other Onshore Pipeline entitlements to support a distinction between allowing certain types of maintenance (e.g., driving along the Onshore Pipelines' corridor) while disallowing other types of maintenance like the Anomaly Repair Work. That distinction is even less supported given the Onshore EIR/EIS's explicit discussion regarding pipeline anomaly repairs.¹³⁶ Further, staff's own response supports the conclusion that the Onshore Pipeline corridor was intended to remain disturbed with limited habitat value. Had the County not intended to authorize Sable to be able to excavate, access and

¹³⁵ See Statement of Defense, pp. 13-14.

¹³⁶ See Statement of Defense, pp. 13-18.

repair the Onshore Pipelines on an ongoing basis throughout their operational lifetime, mitigation would have included restoring sensitive habitat over the Onshore Pipeline corridor.

Respondent's Claim: "Sable also implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact analyses" - Statement of Defense at page 18

Response: This shows that Sable in fact recognized that this work could have impacts to existing resources, and they did not cite anything to show that these BMPs were required by the original approvals, which shows that they recognize that the original approvals did not provide the necessary regulation for the current work. Moreover, these BMPs were not reviewed and approved by Commission ecology staff, and we have no information proving that they were adequate or even implemented. Since there was no permit sought or obtained for this work, there wasn't oversight or on site monitors. And again, whether the work was done in a sufficiently protective manner is not relevant to whether Coastal Act authorization was legally required, and thus, to the Commission's authority to issue a cease-and-desist order.

Sable Rebuttal: Contrary to the Staff Report's assertions, Sable's preparation of additional biological analyses and implementation of best management practices do not constitute an admission that the Onshore EIR/EIS's analysis was flawed or inaccurate. The Onshore EIR/EIS concluded that the Onshore Pipelines' *entire* operational right-of-way would be disturbed by initial construction and remain *permanently* impacted by ongoing pipeline repair and maintenance activities such as pipeline anomaly repairs. Sable's additional analyses and precautions demonstrate that Sable engaged in thoughtful resource management practices – not that new permits are required.¹³⁷

Respondent's Claim: "the County's Statement of Overriding Considerations concluded that the pipeline operator's compliance with the Conditions of Approval would 'mitigate[] as completely as possible' all 'potential oil spill impacts' and other potentially significant impacts" - Statement of Defense at page 18

Response: Here again, the reliance is misplaced and misrepresents the document. Tellingly, Sable *quotes* the phrase "oil spill impacts," but the reference to "other potentially significant impacts" is not a quote, because the Statement of Overriding Considerations doesn't use that phrasing, nor does the list on page 55 refer to impacts of future ground disturbance for maintenance.

Sable Rebuttal: It is not clear what aspect of Sable's statement the Staff Report is claiming to be a misrepresentation. The County's Statement of Overriding Considerations cites several potentially significant impacts that would be mitigated in part by compliance with the Conditions of Approval, including potential oil spill impacts as well as "the loss of many mature oaks and riparian vegetation[,] Hoffman's Nightshade, Refugio Manzanita and Catalina Mariposa lilies." The County found these impacts would be significant and unavoidable due to construction and

¹³⁷ See Statement of Defense, pp. 20-24.

ongoing operation; nevertheless the County concluded that such permanent impacts were justified and approved the Pipeline Project accordingly.¹³⁸

Respondent's Claim: "Anomaly Repair Work will serve as a protective measure for coastal resources and *reduce and avoid* any potential oil spill impacts." - Statement of Defense at page 19

Response: Again, this refers to oil spill impacts. That is simply not what's at issue here.

Sable Rebuttal: The Onshore EIR/EIS concluded that compliance with the draft Oil Spill Contingency Response Plans, which provide for pipeline anomaly repairs, would reduce the risk of oil spill impacts resulting from construction and operation of the Onshore Pipelines. The County adopted this conclusion as part of its Statement of Overriding Considerations. This further indicates that pipeline anomaly repairs were contemplated and approved by the County as part of mitigating potential project impacts over the Onshore Pipelines' operational lifetime and supports the County's recent confirmations that the Anomaly Repair Work is authorized by the Onshore CDPs.¹³⁹

Respondent's Claim: Condition A-13 lists the types of changes that would require a further permit, stating:

"[The pipeline operator] shall obtain a new or modified permit, or authority to continue operation under the existing permit prior to undertaking any of the following activities which may, in the judgment of the County, result in significant changes to the impacts on the County. Such changes could include but not be limited to 1) major pipeline or pump station modifications; 2) major changes in pipeline throughput; 3) introduction of production to the pipeline from sources other than those described above [noted as the outer continental shelf and other locally produced onshore and offshore petroleum from the Santa Barbara and Santa Maria Basins], and 4) introduction of a different product from any source.⁷⁹" - Statement of Defense at page 19

Response: This is about the sorts of changes in operations that require modifications to the existing permit (or a new permit), but (1) it does not say that it is intended to be an exhaustive list, and (2) it is focused on changes to the nature of the pipeline and its throughput, not to addressing significant maintenance work.

Sable Rebuttal: While Condition A-13 does not purport to create an exhaustive list of project changes that would require a new or amended coastal development permit, its plain language shows that the list is indicative of the type of major changes that would require new permitting activities. Significantly, repair and maintenance work like the Anomaly Repair Work and Safety Valve Installation are not included on this list because they are the types of routine work that were anticipated without requiring new or amended permits. The Staff Report also ignores Condition A-13's plain language indicating that major changes requiring a new or modified permit also may include "any ... activities which may, in the judgment of the County, result in significant changes to the impacts on the County." Here, the County repeatedly has determined – and recently confirmed to the Commission in writing – that Anomaly Repair Work does not

¹³⁸ See Statement of Defense, Document No. 5, County Planning Commission Actions for Celeron Pipeline Project (Mar. 3, 1986), p. 55.

¹³⁹ See Statement of Defense, pp. 13-14, 20-24.

require any new or modified permit. As such, the Anomaly Repair Work does not constitute a major change as contemplated under Condition A-13.¹⁴⁰

Respondent's Claim: The County's review of Sable's Zoning Clearance applications reflected the County's understanding "that Zoning Clearances should be used before commencing *initial* construction approved under a final development plan and that Zoning Clearances should not be used for each individual element of the approved development or use throughout the life of a project." - Statement of Defense at page 23

Response: This is not relevant. Whether the Zoning Clearance process would be required if these activities were covered by the original permit is not the issue here.

Sable Rebuttal: The quoted statement merely explains why Sable submitted Zoning Clearance applications to the County for the Anomaly Repair Work and why the County instead confirmed to Sable that no additional permits, including Coastal Act authorizations, were required.

Respondent's Claim: "The County's Anomaly Repair Confirmation Letter is not appealable under the CZO or LCP." "The County's confirmation that the work was authorized by the existing Onshore CDPs is 'not appealable to the ... Coastal Commission'." - Statement of Defense at page 23

Response: This proceeding does not involve an appeal of this letter, so this is irrelevant.

Sable Rebuttal: The quoted statement merely explains that the County's confirmation that the Anomaly Repair Work requires no further Coastal Act authorization is a ministerial assessment of compliance with previously issued entitlements for the Onshore Pipelines.

¹⁴⁰ See Statement of Defense, p. 19.

Respondent's Claim: "Over the last 30 years, the County has employed different procedures to confirm that anomaly repair work complies with the pipelines' existing FDP and Onshore CDPs. These procedures have included using the County's Land Use Permit process, the Zoning Clearance process, as well as informal communications between the pipeline operator" - Statement of Defense at page 23

Response: If, as Sable contends, it has always been understood that the intent of the County's original permit was to authorize all future anomaly repair work on the pipeline, the County shouldn't have needed to issue any sort of further authorization. Thus, the fact that the County issued these additional permits shows that the work was not fully authorized in advance. Moreover, the permits Sable cited (Sable SOD Doc. 19, 25, and 26) all included extensive conditions regulating the method of that work to protect natural resources, showing that, contrary to Sable's arguments, the County must have concluded that the original approvals did not adequately protect against the impacts of this future maintenance work.

Similarly, for the valve replacement work, as Sable notes, County staff initially issued an addendum to the EIR/EIS for that work. Although it's true that the addendum proposed a conclusion that the work would not have significant new impacts, the fact that they concluded an addendum was needed at all shows that they did not view the original EIR/EIS as covering this work. It's also notable that the Planning Commission rejected that addendum that staff had proposed, so it's conclusion that no significant adverse harm would occur was not adopted by the County

Sable Rebuttal: As Sable has explained, the County's varying processes over time for reviewing pipeline anomaly repairs only have demonstrated different methods of *confirming* that anomaly repairs were authorized by the Onshore Pipelines' existing entitlements, including the Onshore CDPs. Regardless of the method used, the County has *never* required a new or amended coastal development permit or new Coastal Act authorization for any pipeline anomaly repairs in the 30 years since the Onshore Pipelines were built.¹⁴¹

The draft addendum prepared by the County remains relevant for its conclusion that the valve installations would not result in any new significant impacts. That conclusion supports the Onshore EIR/EIS's analysis which also analyzed impacts within the Onshore Pipelines' operational right-of-way from installing the exact types of valves involved in the Safety Valve Installation Work, and further demonstrates that no impacts resulted from such work.¹⁴²

¹⁴¹ See Statement of Defense, p. 22.

¹⁴² See Statement of Defense, pp. 33-35.

Respondent's Claim: In connection with the anomaly repairs, "Sable implemented several construction best management practices to ensure that impacts to coastal resources... were consistent with the Onshore Pipelines' prior impact analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resources analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved" - Statement of Defense at page 25

Response: This is an unsupported, and vague assertion. Although there is disagreement between Commission staff and Sable that the work undertaken was previously reviewed and authorized by the EIR/EIS and subsequent permits, Sable has provided no discussion or analysis of how the identified Best Management Practices (BMPs) comport with requirements of the mitigation measures and permit conditions. Second, given that there was no permit application, analysis, or regulatory review, and that the work took place without regulatory oversight, it is impossible to evaluate the veracity of Sable's statement much less the effectiveness of the BMPs they may have implemented to avoid or minimize adverse impacts to coastal resources as a result of field work. Third, Commission staff have received reports indicating that Sable may not be in compliance with required conditions and mitigation measures, including these listed BMPs. For example, a BMP in one of the references provided by Sable requires that "All oak tree impacts are to be avoided including no vehicles, equipment, or stockpile within the dripline of any oaks". Environmental Defense Center (EDC) shared a report with Commission staff dated March 24, 2025, for Sable work in Gaviota State Park (Exh. 27). Photos 8K and 8L of that report capture an excavator parked within the drip line of an oak tree on top of the west bank of Gaviota Creek. This is clearly inconsistent with the relevant BMP and emphasizes the concern raised by Commission staff that without regulatory input on BMP development and regulatory and independent oversight of BMP implementation, BMPs may be inadequate, ignored or both.

Sable Rebuttal: The Staff Report's speculative claims as to Sable's construction best management practices do not demonstrate adverse impacts to Coastal resources. As an initial matter, the Onshore EIR/EIS concluded that the Onshore Pipelines' *entire* operational right-of-way would be disturbed by initial construction and remain *permanently* impacted by ongoing pipeline repair and maintenance activities such as pipeline anomaly repairs. Accordingly, any biological impacts resulting from the Anomaly Repair Work or Safety Valve Installation Work within the Onshore Pipelines' operational right-of-way fall within the scope of impacts previously analyzed in the Onshore EIR/EIS, authorized under the Onshore CDPs, and approved by the County.¹⁴³

Sable nevertheless implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact analyses related to permitted ongoing repair and maintenance activities. Such practices included conducting pre-construction biological resources surveys or ensuring that a biologist is available onsite to monitor work, conducting environmental awareness training with all onsite personnel, and onsite archaeological monitoring.

A biological analyses prepared for Sable's Anomaly Repair Work and Safety Valve Installation Work confirmed that, with implementation of those construction best management practices, all impacts would remain within the scope of impacts previously analyzed and approved by the County. (See *Topical Response 11: Alleged Onshore Adverse Environmental Impacts.*) These

¹⁴³ See Statement of Defense, pp. 17-18, 37.

materials were provided to the County, which exercises delegated LCP authority and regulatory oversight within the County. On the basis of its review, the County confirmed that any impacts resulting from the Anomaly Repair Work fell within the scope of the Onshore EIR/EIS's analysis.

The Staff Report cites various speculative assertions, including photographs without specific locations to which Sable cannot meaningfully respond, in support of Commission staff's disagreement with the County's review and conclusions. The Staff Report cites no support, however, for the Commission or Commission staff's authority to impose its interpretation of detailed technical analyses on the County, which has already reviewed such information as the body exercising regulatory oversight and determined that the information provided was sufficient and that the Anomaly Repair Work is consistent with and authorized by the Onshore CDPs.

Respondent's Claim: "any dispute resolution process regarding the County's determination is not authorized by the Coastal Act Regulations. - Statement of Defense at page 27

Response: This proceeding does not involve the dispute resolution process established by section 13569 of the Commission's regulations

Sable Rebuttal: The Staff Report repeatedly (and incorrectly) asserts that the Commission has enforcement jurisdiction over these matters because, in part, the Environmental Defense Center requested dispute resolution under Section 13569 of the Coastal Act Regulations, which do not apply here.¹⁴⁴ (See *Topical Response 23: Allegations Regarding Consolidated CDP and Dispute Resolution.*)

Respondent's Claim: "Pipeline operators subject to AB 864 were required to submit a risk analysis and plan to retrofit existing pipelines with BAT by October 1, 2021." - Statement of Defense at page 31

Response: The section of the regulations that Sable cited in connection with this statement (19 C.C.R. § 2108(b)) just specifies when the regulations become enforceable. A subsequent section (section 2113(a)) requires submittal of an implementation plan "that outlines the time frame to implement the proposed best available technologies." It leaves it to the operator to propose a timeline and doesn't specify any maximum time. Section 2113(c)(2) specifically says that the timeframe proposed must consider the time needed for "acquisition of permits." And 2113(d) provides for the possibility that the operator may have to provide "an explanation demonstrating good cause for delaying implementation past the deadline extensions." Thus, the requirement Sable cites does not require that the work be completed by any particular time.

Sable Rebuttal: The quoted language simply demonstrates that compliance with AB 864 was anticipated to occur on a rapid basis. Sable does not dispute that individual instances of compliance may be subject to specific timelines or extensions.¹⁴⁵

¹⁴⁴ See Statement of Defense, pp. 27-28, 41.

¹⁴⁵ See Statement of Defense, p. 31.

Respondent's Claim: "OSFM anticipated that all pipeline BAT retrofits would be completed by April 1, 2023 – just eighteen months after operators were required to submit their plan for OSFM approval." - Statement of Defense at page 31

Response: Here too, Sable cites a regulation that does not support this statement. However, even assuming it were true, "anticipated" is not the same as "required," so it would not mean that Sable was required to complete the valve installation by any particular time. However, again, the regulation does not say that OSFM anticipated all retrofits would be completed by April 1, 2023. Section 2108(c) says that's the date when OSFM must enforce the regulatory scheme "against an operator... that is required to complete retrofit of existing pipelines." In other words, if an operator is required to have completed the retrofit by that date, presumably per the schedule they proposed pursuant to 2113, then OSFM must enforce the regulatory scheme at that point. Sable presents no evidence that it had committed to complete the work by that date. And even if it did, again, section 2113 provides for the need for permits and for extensions for good cause.

Sable Rebuttal: The Staff Report's creative interpretation of the AB 864 Regulations is unconvincing because it would effectively erase the April 1, 2023, deadline entirely. According to Commission staff, the April 1, 2023, deadline would only apply where a pipeline operator *proposed* to comply with it. If that interpretation were accurate, the Regulations would not have proposed any deadline at all.

The April 1, 2023, deadline reflects the fact that OSFM anticipated, in most cases, that AB 864 valves could be installed within eighteen months of an operator proposing its retrofit plan, in part because additional regulatory requirements would be minimal and it was not anticipated that new permits would be required in most cases. That OSFM retained the authority to issue extensions in individual circumstances does not undermine that general deadline expectation.¹⁴⁶

Respondent's Claim: "This timeline was based in part on an assumption that "[p]ermitting costs to install [AB 864's required safety valves] would be negligible" and that "[i]n most cases, a permit [] may not be required'." - Statement of Defense at page 31

Response: This reinforces the fact that the regulatory system established by AB 864 envisioned that other permits would be necessary. In addition, any "assumption" the permitting costs would be negligible is not a requirement, nor could it be a requirement, that other agencies' permitting costs would be capped. And finally, even if this could somehow be a requirement that permitting costs be capped at some level reflective of negligibility and were, Sable has presented no evidence that this would not have been the case had it applied for a CDP.

In addition, the cited text says the determination of whether a permit would be required would be made on a case-by-case basis, but even if didn't say provide for that that, this is just a report of what OSFM was told in "[d]iscussions with local agency personnel."

Sable Rebuttal: The Staff Report's assertion that "other permits would be necessary" directly conflicts with the quoted text, which acknowledges that "in most cases, a permit may not be required." Sable cited the quoted text because it confirms that additional permitting processes

¹⁴⁶ See Statement of Defense, p. 31.

for work like the Safety Valve Installation Work were not anticipated to be required in most instances.¹⁴⁷

Respondent's Claim: "The Onshore EIR/EIS analyzed the installation of fifteen "[p]ipeline block and check valves" "The Onshore Pipelines' FDP and CDPs also acknowledged that the operator would undertake certain safety valve installation work." - Statement of Defense at page 32

Response: These are different from the valves installed more recently, which are the subject of this matter, and any analysis of valves installed with the original project is irrelevant to the question of whether the installation process for new valves, that are almost certainly of a different sort, 40 years later, requires a permit.

Sable Rebuttal: This quoted text shows that any impacts related to the Safety Valve Installation Work fell within the scope of impacts previously analyzed under the Onshore EIR/EIS. The Staff Report cites no support for the contention that the Safety Valve Installation Work involves a different "installation process" than occurred at the time of the Onshore EIR/EIS.¹⁴⁸

Respondent's Claim: "the additional valves were located within the Onshore Pipelines' already-disturbed operational right-of-way where permanent impacts to terrestrial biology were assumed to extend throughout the pipelines' lifetime."¹⁶³" - Statement of Defense at page 33

Response: The cited page only says that "220 acres of oak woodlands would be removed for the life of the project," not that all terrestrial biology would be. And for all the reasons stated previously, it does not appear that the approval of the original project was intended to approve specific maintenance projects 40 years in the future without review of the methods, much less the installation of additional valves that was not contemplated as maintenance. And clearly, it did not analyze the impacts of such additional valves or means to best avoid adverse impacts in their installation.

Sable Rebuttal: The Staff Report's assertion ignores the practical reality that pipeline construction and operations would have disturbed the entirety of the Onshore Pipelines' corridor – not just oak trees. The oak woodland reference was used as an example of the permanent impact. The Onshore EIR/EIS analyzed all potential impacts to terrestrial biology resulting from construction and operation of the Onshore Pipelines, including maintenance activities like anomaly repair work. The Onshore Pipelines' Conditions of Approval confirm that permanent impacts to other resources along the Onshore Pipelines' operational right of way, such as the catalina mariposa lily and refugio manzanita, were analyzed and approved as permanent, long-term impacts.¹⁴⁹ In addition, erosion control was the key objective for any required revegetation along the pipelines' operational right-of-way – not the long-term reestablishment of sensitive species – because it was clearly understood that the Onshore Pipeline's right-of-way would continue to be disturbed regularly in the coming decades by ongoing pipeline operation and

¹⁴⁷ See Statement of Defense, p. 31.

¹⁴⁸ See Statement of Defense, pp. 31-33.

¹⁴⁹ See Statement of Defense, pp. 14-18.

maintenance.¹⁵⁰ Therefore, contrary to Commission staff's statements, ongoing ground disturbance and associated impacts were analyzed and disclosed in the Onshore EIR/EIS.

Respondent's Claim: "County staff's analysis confirmed that installing these valves would not result in any new or substantially more severe impacts" - Statement of Defense at page 33

Response: First, this was a staff-level determination that was overturned by the Planning Commission, so it is not binding. Second, it was only comparing the impacts of the new valve installation work to the impacts of the original project, not assessing whether the new work would have its own impacts. Third, if this work were truly pre-approved, as Sable argues, then County staff shouldn't have had to assess this question at all. Fourth, impacts analyses are not the standard for whether a permit application is required. The requirement is based on the performance of development, not the resource impacts. Lack of resource impacts just means the permit will be approved, or that the permit requirement may be waived. Here as elsewhere, Sable is jumping to a conclusion on what may be approvable without the process leading to that. And in fact, there are often minor tweaks as to timing or manner that can make a development activity much more protective of coastal resources.

Sable Rebuttal: Sable does not rely upon the addendum prepared by the County to assess impacts resulting from the Safety Valve Installation Work, but instead cites to those conclusions to show that the work could have occurred without causing any new significant impacts. Sable also implemented several construction best management practices to ensure that impacts to coastal resources, biological resources, and archaeological resources were consistent with the Onshore Pipelines' prior impact analyses related to ongoing repair and maintenance, and subsequent ecological and archaeological resources analyses have confirmed that impacts resulting from such work remained within the scope of impacts previously analyzed and approved.

The County prepared a CEQA addendum for the above-grade Initial Valve Proposal. As explained in the Statement of Defense, the County's review of the Initial Valve Proposal resulted in an August 30, 2024 Settlement Agreement between Sable and the County. As detailed in the Settlement Agreement, Sable revised the Initial Valve Proposal such that all safety valves and ancillary equipment would be located "one foot or more underground." With the incorporation of that redesign, the County confirmed in a letter dated September 4, 2024, that it "does not have permit authority or jurisdiction over the [contemplated] safety valves and their ancillary equipment ... because they are safety valves required by state law, related to the operation of an interstate [p]ipeline, and [located] one foot or more underground." Therefore, the safety valve project that was ultimately installed is less impactful than the Initial Valve Proposal because all features are located one foot or more underground. As a result, it is entirely appropriate for the County to process the Safety Valve Installation Work differently than the Initial Valve Proposal. Referencing the County staff report and addendum simply shows that even under the more impactful Initial Valve Proposal, which was not implemented, there would not be any new or substantially more severe impacts.

¹⁵⁰ See Statement of Defense, p. 18.

Sable undertook the Safety Valve Installation Work based on the County's confirmation that no further County authorization was required to complete the work. The County has delegated LCP authority under the Coastal Act and therefore the County's prior authorization was understood by Sable to extend to Coastal Act permitting as well. Sable, in order to clear up any misunderstanding that Commission staff has surrounding the Safety Valve Installation Work, submitted additional materials regarding this work to the County for its confirmation that such work complies with the Pipeline Project's existing FDP, Onshore CDPs, and Onshore EIR/EIS.¹⁵¹

Respondent's Claim: "County staff initially opted to prepare discrete amendments to the Onshore Pipelines' FDP and Onshore CDPs related to the proposed safety valve installation work." - Statement of Defense at page 33

Response: This shows that even the County originally viewed this project as requiring an amendment to the existing approvals. In fact, it was only after Sable sued the County that the County reversed its position on this and found that the work was covered by the original permits and didn't need an amendment

Sable Rebuttal: Any dispute between Sable and the County concerning the Safety Valve Installation Work is irrelevant to the fact that the County ultimately concluded that no further authorizations were needed for Sable to perform the work. In the Commission's own proceedings, the Commission regularly undertakes actions that are different than (or sometimes contrary to) positions that Commission staff recommends.

Here, Sable revised the Safety Valve Installation Work from the original proposal submitted to the County such that all valves would be installed "one foot or more underground." Based on that revision, the County confirmed that no further authorization from the County would be required.

Sable undertook the Safety Valve Installation Work based on the County's confirmation that no further County authorization was required to complete the work. The County has delegated LCP authority under the Coastal Act and therefore the County's prior authorization was understood by Sable to extend to Coastal Act permitting as well.¹⁵²

¹⁵¹ See Statement of Defense, p. 37.

¹⁵² See Statement of Defense, p. 37.

Respondent's Claim: To support the amendments, County staff prepared a draft addendum to the EIR/EIS, which "concluded that safety valve installation work "presents minor incremental impacts *that remain less than those identified for the originally approved*" - Statement of Defense at page 33

Response: This is all irrelevant to the issue at hand, as it once again conflates impacts with the need for a CDP. However, as to the impacts analysis, although it's true that the staff's draft addendum to the EIR stated that the impacts of the proposed project would be minor and less than the impacts of the original project, if Sable were correct that the work was covered by the original EIR/EIS, no addendum would have been necessary at all. In fact, that addendum explains that it was created to address "changes and additions from the project described in the certified SEIR to the proposed project." Page C1-2. Thus, far from supporting Sable's position, this actually shows that this was always seen as an expansion beyond the project described in the original EIR/EIS. See also page C1-4 ("The project is a request... for an amendment to the... [FDP] to allow for the installation of 16 new valves")

Sable Rebuttal: County staff began processing Sable's initial safety valve installation proposal with minor amendments to the Onshore Pipelines' existing entitlements. Because those amendments would constitute new discretionary actions, the County was required under CEQA to determine whether only minor technical changes to the Onshore EIR/EIS would be required such that an addendum would be appropriate.¹⁵³ After Sable revised the project such that all safety valves would be installed "one foot or more underground," the County confirmed that no further permits would be required. As such, the County was no longer required to prepare any additional CEQA analysis because no further discretionary action was proposed.

The quoted text confirms that any impacts related to the Safety Valve Installation Work fell within the scope of impacts previously analyzed under the Onshore EIR/EIS.¹⁵⁴ Sable undertook the Safety Valve Installation Work based on the County's confirmation that no further County authorization was required to complete the work. The County has delegated LCP authority under the Coastal Act and therefore the County's prior authorization was understood by Sable to extend to Coastal Act permitting as well. Sable, in order to clear up any misunderstanding that Commission staff has surrounding the Safety Valve Installation Work, submitted additional materials regarding this work to the County for its confirmation that such work complies with the Pipeline Project's existing FDP, Onshore CDPs, and Onshore EIR/EIS.¹⁵⁵

¹⁵³ See 14 Cal. Code Regs, §§ 15162, 15164.

¹⁵⁴ See Statement of Defense, pp. 31-33.

¹⁵⁵ See Statement of Defense, p. 37.

Respondent's Claim: "Sable undertook [the valve installation] work based on the County's... Letter, which confirmed that no further County authorization was required to complete this safety valve installation work. The County has delegated local permitting authority under the Coastal Act and therefore the County's prior authorization was understood by Sable to extend to Coastal Act permitting as well" - Statement of Defense at page 37

Response: The County issued its letter on September 4, 2024. That same month, Sable received a Notice of Violation letter from the Coastal Commission explaining Commission staff's contrary position, and the rationale therefor. Thus, Sable was fully aware of the Commission's opposition to this analysis and of its concerns when Sable undertook this work.

Sable Rebuttal: Sable substantially completed, including all valve installations and backfilling of the sites, prior to receiving the 2024 NOV or becoming aware of Commission staff's assertion that further Coastal Act authorization was required.

Respondent's Claim: "Sable requested a two-day extension from Commission staff to submit this Statement of Defense, which would have allowed Sable to submit the valve installation materials to the County and provide those materials with the initial submission of the Statement of Defense. Commission staff rejected that request." - Statement of Defense at page 37, fn.176

Response: The Commission's Executive Director's issued a cease-and-desist order to, among other things, preserve the *status quo* until this matter could be brought before the full Commission. However, because Sable has disregarded that order and proceeded with its work, Commission staff had no choice but to rush this matter onto the next Commission meeting to obtain further relief. It would not have been possible to do that if Sable had been given an extension on the deadline for the Statement of Defense. Therefore, it was Sable's own refusal to comply with the ED-CDO that resulted in the denial of this extension request.

Sable Rebuttal: Sable disputes that a two-day extension to allow Sable to finalize valve installation materials was unreasonable or would have delayed the Commission's consideration of these matters.

Respondent's Claim: Sable claims that the Commission lacks jurisdiction because the County acted in a timely manner to the request from the Commission for enforcement action, as provided for in Section 30810, and cites, as evidence, that the "County issued the Safety Valve Confirmation Letter" - Statement of Defense at page 38

Response: Again, that letter from the County was issued on September 4, 2024. Commission staff requested the County act on September 20, 2024, and February 17, 2025. Thus, the County's letter could not have been responsive to the Commission's requests. Nor did it constitute taking action to address the violations that staff was alleging. To the contrary, it showed the County took a different perspective that precluded it from acting on Commission staff's request. At most, the County's letter reveals *why* the County *declined* to take action.

Sable Rebuttal: The Staff Report ignores that the County responded to the Commission's requests. The County's September 4, 2024, letter confirmed that no further authorizations were required from the County regarding the Safety Valve Installation Work. Sable, in order to clear up any misunderstanding that Commission staff has surrounding the Safety Valve Installation

Work, submitted additional materials regarding this work to the County for its confirmation that such work complies with the Pipeline Project's existing FDP, Onshore CDPs, and Onshore EIR/EIS.¹⁵⁶ Until and unless the County declines to act regarding those materials, the Commission has no jurisdiction under Section 30810 of the Coastal Act.¹⁵⁷

¹⁵⁶ See Statement of Defense, p. 37.

¹⁵⁷ See Statement of Defense, pp. 37-38.

Respondent's Claim: Sable claims that the valve installation work "could not 'cause significant damage to coastal resources' as required for a cease and desist order." - Statement of Defense at page 38

Response: The work at hand was done over a broad area within the County's Gaviota Coast which is an incredibly diverse ecologically region with a variety of habitats and other coastal resources. The original valve installation project for the above ground safety valves was previously approved by the County zoning administrator and the zoning administrator's approval was appealed to the County Planning Commission. County Planning staff recommended that the Planning Commission deny the appeals, but the Planning Commission voted against County Planning staff and upheld the appeals. The Planning Commission decision was appealed to the County Board of Supervisors and the Board of Supervisors decision ended in a tied vote. Meaning no action was taken by the Board of Supervisors and the action by the Planning Commission stood. Next, Sable and the County entered litigation resulting in the above ground safety valve project being replaced with a proposal to install the safety valves below ground. No application was prepared for the below ground valves and the County provided no regulatory oversight regarding the work.

What this history demonstrates is that although an application was filed for the original above ground valve installation project and County Planning staff made findings regarding that project, because the Planning Commission voted against staff and the Board of Supervisors decision resulted in no action, the County never formally adopted any findings demonstrating that the above ground valve installation project was consistent with the coastal resource protection policies and provisions of the County's certified Local Coastal Program. And since Sable undertook the belowground valve installation work without ever submitting an application to the County and the County never provided any regulatory review or oversight, it is impossible to know whether that project was sited, designed and constructed in a manner to avoid, minimize and mitigate any potential adverse impacts to coastal resources.

There were many different development activities undertaken, including some that presented the potential to have a very significant damage to coastal resources. For example, the timing of Sable's work occurred during the breeding season for southern California steelhead and California red legged frog. The work also occurred during the nesting season for most bird species, as well as during the time of year in which ground disturbances would most likely result in erosion, scarring, and discharge of sediment into wetland and watercourses. It also appears that several work sites are in or adjacent to ESHA.

Section 30810(a)(2) does not require a showing that significant damage occurred. The operative phrase is that the alleged violation "**could** cause significant damage to coastal resources." The phrase, as used in both Sections 30809 and 30810, reflects the precautionary nature of the Coastal Act and of these orders in particular. The idea is not to have harm befall coastal resources before the Commission can act to prevent it. Here Commission staff went to great lengths to determine what Sable was doing, and where, so that such potential harm could be evaluated, reduced and mitigated. As the record reflects, Commission permit and enforcement staff reached out repeatedly to Sable for this information and offered to work collaboratively to resolve the situation in a legal way to find a way to evaluate impacts and minimize any potential harms, but this did not bear fruit.

Sable has repeatedly claimed that the valve work remained within the scope of the impacts previously analyzed and approved. However, as discussed previously in this staff report, there is no evidence demonstrating that this valve installation work was considered, analyzed, mitigated or approved in the EIR/EIS or any of the County's permits.

Moreover, as we have stated in response to their other comments, even if the work, such as the valve installation, is not in and of itself a bad idea or even a good idea, it does not mean that it should not be done in a manner that is protective of coastal resources.

This is the whole point of the permit process—to evaluate alternatives and find the one with the least impacts and to condition the work in a way that is protective.

Sable Rebuttal: County staff began processing the Initial Valve Proposal with minor amendments to the Onshore Pipelines’ existing entitlements. Because those amendments would constitute new discretionary actions, the County was required under CEQA to determine whether only minor technical changes to the Onshore EIR/EIS would be required such that an addendum would be appropriate. Sable then revised the Initial Valve Proposal such that all additional safety valves would be located “one foot or more underground.” With the incorporation of that redesign, the County confirmed that it “does not have permit authority or jurisdiction over the [contemplated] safety valves and their ancillary equipment ... because they are safety valves required by state law, related to the operation of an interstate [p]ipeline, and [located] one foot or more underground.” The County’s confirmation that no further permits would be required relieved the County of the need to prepare any additional CEQA analysis.

The Initial Valve Proposal’s CEQA addendum nevertheless supports the Onshore EIR/EIS’s analysis, which also analyzed impacts within the Onshore Pipelines’ operational right-of-way from installing the exact types of valves involved in the Safety Valve Installation Work and further demonstrates that no impacts resulted from such work.¹⁵⁸ Moreover, the Safety Valve Installation Work involved only seven installation sites, none of which were located in County-mapped ESHA, and required the same type of minimal disturbance as pipeline anomaly repairs. As such, there is no evidence that the Safety Valve Installation Work resulted in any harm to coastal resources.¹⁵⁹

Respondent’s Claim: “Commission staff also assert that Coastal Act sections 30820, 30821.3, 30821.6, and 30822 authorize penalties to be levied against Sable related to the safety valve installation work. None of those sections apply here and thus no penalties may be levied.” - Statement of Defense at page 39

Response: To the extent Sable may be objecting to the idea of the Commission invoking these provisions as a basis for imposing an administrative penalty, that is not what the Commission is doing in this proceeding, as the Commission cannot impose penalties administratively pursuant to any of those sections other than 30821.3, and staff never suggested otherwise. The NOI raises those penalty provisions in saying that the “Coastal Act also includes several other penalty provisions that may be applicable” (emphasis added), meaning that these “other” penalty provisions may apply to the acts at issue, not that the Commission can invoke them to impose penalties administratively.

Sable Rebuttal: The quoted text responds to provisions of the Coastal Act cited by Commission staff in the 2025 EDCDO. As Sable has explained, none of those provisions apply here and thus no penalties are warranted.¹⁶⁰

¹⁵⁸ See Statement of Defense, pp. 33-35.

¹⁵⁹ See Statement of Defense, pp. 37-38.

¹⁶⁰ See Statement of Defense, pp. 26-27, 39-40, 62-63.

Respondent's Claim: Sable claims that because the Commission "did not include the Span Remediation Work performed in federal waters" in this action, that "indicates staff's understanding that this work was in fact contemplated and authorized in the DPP" - Statement of Defense at page 43, fn. 205, and 51

Response: The inference Sable attempts to draw is not only unjustified, but absurd. The reason Commission staff limited the seaward extent of its pursuit of this matter is that the "federal waters" to which Sable alludes are outside Coastal Zone and the Commission's enforcement jurisdiction. Commission staff actually did inquire about this issue with the federal agency in charge; however, the Commission also has no enforcement jurisdiction over federal agencies.

Sable Rebuttal: Sable's inference regarding the exclusion of Span Remediation Work in federal waters from the Commission's action is based on a logical interpretation of the regulatory framework established by the DPP. The exclusion suggests that the work was indeed contemplated and authorized within the DPP (which, as described above, served as the project description for the Offshore CDP), as similar activities in state waters were conducted under the same regulatory framework. While the Staff Report asserts that federal waters are outside their enforcement jurisdiction, this does not negate the fact that the DPP provided a cohesive authorization for maintenance activities across both state and federal waters.¹⁶¹

Respondent's Claim: Sable claims that the Commission's findings in support of its action on the CDP for the DPP and the related consistency certification "highlighted the importance of addressing potential geologic constraints through 'proper mitigation,' which included 'avoidance or ... engineering design,'" which Sable argues shows that the Commission authorized alterations to the seafloor. - Statement of Defense at page 50, citing the findings at page 78

Response: Not only is the language Sable cites much more general than Sable would suggest, but more importantly, Sable points to nothing to indicate that the language referred to any work beyond the initial deployment.

Sable Rebuttal: Sable's interpretation of the Commission's findings regarding the Offshore CDP for the DPP and the related consistency certification is grounded in the comprehensive nature of the original project approvals. The language emphasizing "proper mitigation," including "avoidance or ... engineering design," reflects the Commission's recognition of the need for adaptive management practices to address changing geologic conditions that were properly recognized as occurring throughout the project's lifecycle. This inherently includes necessary maintenance activities, such as span remediation, to ensure the long-term stability and integrity of the pipelines. Importantly, the Coastal Commission was aware of and incorporated the SLC's mitigation measures regarding addressing "bridging" into the project. This incorporation must be read together with the findings to provide a fuller understanding of the context, indicating that the Commission anticipated and authorized this sort of maintenance activity as part of the project's approved Offshore CDP. While the Staff Report argues that the language is general, the context of the findings, coupled with the SLC's mitigation measures,

¹⁶¹ See Statement of Defense, pp. 43-51.

supports that the Commission approved a broader project that encompasses ongoing operational and maintenance needs beyond initial deployment when it approved the Offshore CDP.

Respondent's Claim: Sable claims the Commission's findings in support of its action on the CDP for the DPP and the related consistency certification "also recognized the need for flexibility in pipeline construction methods, acknowledging that '[p]ipeline construction methods are presently undefined' and allowing Exxon the latitude to 'propose their own design solutions,'" suggesting that this, too, "permits the adaptation of construction techniques," such as the span remediation work at issue. -Statement of Defense at page 50, citing the findings at page 44

Response: The very next sentence in the cited findings states that the range of possible alternatives and their impacts are nevertheless discussed below, showing that the Commission was not creating an open-ended authorization for any sort of work that could fit into this description. In addition, again, the Commission is not saying that the approach at issue is not allowable, but only that it needs to be reviewed through the permit process.

Sable Rebuttal: The Staff Report suggests that "the" range of possible alternatives and associated impacts was provided for in the findings; however, that is not accurate. The findings state that "a number of alternatives are possible and their impacts are discussed below" the findings do not state "the . . ." as suggested by the Staff Report. This distinction is critical because while the findings discussed "a" range of alternatives, it did not purport to discuss "the" entire range of alternatives. Instead, the findings provided that a range of alternatives was possible and authorized the flexibility to design and implement pipeline construction without any further Coastal Act authorization. In any event, in the discussion of potential impacts of the range of alternatives the findings encompassed the potential impacts of Span Remediation Work as part of its discussion of impacts to benthic habitats. The fact that not every potential "design solution" was specified does not mean that those solutions (like the use of sand-to-cement bags to support the pipeline) are not permitted under the Offshore CDP. The Offshore CDP specifically permitted "flexibility" in choosing design solutions and the impacts of the Span Remediation Work falls within the types of impacts analyzed.

Respondent's Claim: Sable claims that a plan the Commission required in the CDP for the DPP, and which the Commission subsequently approved, "specifically approved future Span Remediation Work to (1) inspect the pipelines for unacceptable free spans, and (2) 'modify' the seafloor to remediate any identified unacceptable spans as part of the Offshore CDP." - Statement of Defense at page 51, citing CDP condition 9 and the 1989 "Final Comprehensive Plan for Marine Biological Impact Reduction and Mitigation in Nearshore Waters off Las Flores Canyon, at 19.

Response: The language quoted only reflected Exxon's proposal to "modify" certain "bedrock ridges" as part of its initial construction and then to identify unacceptable free spans "following pulling of the pipelines," meaning in the immediate aftermath of the deployment, not decades into the future. Moreover, even if it were to have been referring to future work, the statement is only about "identify[ing]" those spans. It doesn't say they will be making additional modifications in response to those unacceptable free spans without further review and regulation

Sable Rebuttal: The plan required by the CDP for the DPP reflects a comprehensive approach to pipeline management. While the Staff Report argues that the language about “modifying” the seafloor pertains only to initial construction, the broader context of CDP condition 9 and the 1989 “Final Comprehensive Plan for Marine Biological Impact Reduction and Mitigation” demonstrates a consideration of ongoing maintenance needs along the offshore pipelines. The incorporation of the SLC’s lease conditions, including addressing “bridging,” supports the understanding that project approvals anticipated necessary maintenance activities beyond initial deployment. Although the language specifies identifying spans “following pulling of the pipelines,” it is important to consider this in conjunction with the SLC lease conditions. These conditions require *annual* surveys to detect changing conditions due to ocean currents and other factors. Thus, the intent is to maintain long-term operational integrity, which therefore includes modifications that could be made as needed into the future. This approach is consistent with the Commission-approved construction mitigation plans.

Respondent’s Claim: Sable notes that leases issued by the State Lands Commission require that the pipelines be kept ‘in good order and repair and safe condition’” and “also require that should inspections on the pipeline ‘show bridging...then further detailed inspections shall be made and corrective action taken, if necessary.’” - Statement of Defense at page 52

Response: One agency’s requirement to take corrective action does not create immunity from other regulatory requirements. In fact, the current leases specifically require compliance with all other regulatory requirements.

Sable Rebuttal: Sable acknowledges that compliance with SLC lease requirements does not exempt it from other regulatory obligations. However, the SLC’s requirement to keep pipelines “in good order and repair and safe condition,” including taking corrective action for “bridging,” underscores the necessity of maintenance activities like the Span Remediation Work. Sable undertook the work with the understanding that it was consistent with these requirements, and the SLC confirmed as much by issuing the approval to begin the work.¹⁶²

¹⁶² Statement of Defense, Document No. 69, SLC Email to SLC, Re: SYU Pipeline – Span Remediation – Request for Information (November 27, 2024) (“After reviewing the submissions I understand the documents to adequately address the requests made in the letter. To avoid untimely delays due to the Thanksgiving Holiday, please consider this email as approval to proceed with the project.”).

ATTACHMENT B

Comments on Proposed Orders

As described more fully in Attachment A, Sable disputes that the Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work violate the Coastal Act and therefore Sable disputes that the Proposed Orders should be imposed. Putting aside the dispute over whether there is a violation of the Coastal Act, Sable also notes several issues, unresolved questions, and items for clarification in the draft Proposed Orders attached as Attachment A to the Staff Report, as described below. The following is not intended to be a comprehensive summary of issues identified in the Proposed Orders but is instead a high level of summary of certain issues and questions identified.

- Global Preemption Comment: Any potential restart of the pipeline and all activities related to pipeline safety, including “pipeline removal, replacement, and reinforcement” or the “installation of safety valves,” fall within the sole and exclusive jurisdiction of the Office of the State Fire Marshal and therefore are not appropriate subject of the Proposed Orders.¹⁶³
- Global Status of Pipelines Comment: As described in Attachment A, the pipelines are not currently “out-of-service.” (See Attachment A, *Topical Response 14: Allegation that Pipelines are Not Operational.*)
- Global Clarifications Regarding Onshore and Offshore Requirements: The Proposed Orders should clarify the requirements that apply onshore and offshore. For instance, the Restoration Plan requirements should clarify that no Temporary Erosion Control Plan, Remedial Grading Plan, Revegetation Plan, or Cultural Resources Survey and Plan apply to the offshore activities associated with the Span Remediation Work.
- Timelines: Given the volume of the information requested and length of the Onshore Pipeline, many of the timelines provided within the Proposed Orders are unduly burdensome or inconsistent with the goals of the Restoration Plan. For instance:
 - Section 1.3.A: The timeline for submitting a complete CDP application should be extended to a minimum of 60 days given the extensive materials requested in Section 1.3.B. The 30 day timeline appears designed to ensure that Sable cannot comply with the Proposed Orders.
 - Section 6.1.A.1: Given the timelines for preparation of the Restoration Plan within 60 days, the Executive Director’s review and approval of the Specialist should be subject to an enumerated timeline to ensure that the Specialist has sufficient time

¹⁶³ See Statement of Defense, pp. 28-29, 41-42.

to prepare the Restoration Plan once the Executive Director provides authorization for the Specialist to proceed.

- Section 6.7.F, 6.8F, & 6.9.I: The timelines for implementation of the Temporary Erosion Control Plan, Remedial Grading Plan, and Revegetation Plan should acknowledge that given the length of the Onshore Pipelines' alignment, the work may occur sequentially such that not all Temporary Erosion Control work may be completed prior to the commencement of the Remedial Grading Plan and/or Revegetation Plan. In addition, depending upon the scope of work required these timelines may need to be extended.
- Section 14.0: This section should be revised to allow for exigent circumstances to override the 10-day notice requirement for deadline extensions. Given the short timelines provided for in the Proposed Orders there may be circumstances where a deadline extension is needed for good cause but a 10-day notice would be entirely infeasible.
- CEQA Determination Request (Section 1.3.B): The Proposed Orders' requirement that a complete CDP application include a "CEQA determination" within 30 days from issuance of the Proposed Orders warrants clarification. As discussed throughout Attachment A, Sable's Anomaly Repair Work, Safety Valve Installation Work, and Span Remediation Work all was analyzed in prior CEQA documentation.
- Administrative Penalty Amount (Section 3.1): As described in Attachment A, the Proposed Orders' administrative penalty is grossly inflated relative to the allegations and scope of impacts at issue. (See Attachment A, Section VI.C.)
- Definition of Restoration Area (Sections 4.4 & 6.1.A): These sections contain conflicting definitions of "Restoration Area" and should be clarified.
- Restoration Plan Initial Assessment (Section 6.1.A): The Proposed Orders should clarify the timeline for the "initial assessment" in light of the requirement to prepare the Restoration Plan within 60 days.
- Scope of Impacts (Section 6.1.A): Any Executive Director's determination as to the scope of the Unpermitted Development's impacts should be consistent with an accompanying biological analysis and subject to review by the Commission if there is dispute over the Executive Director's determination.
- Ability to Conduct Revegetation and Monitoring Outside of the Dry Season (Section 6.1.A.4.2): The Proposed Orders should allow for revegetation and monitoring outside of the dry season if such activities will not require work within creek banks or channels.

These Materials Have Been Provided to Coastal Commission Staff

- Permits from Other Agencies (Section 6.5.C): This section requires that the Restoration Plan commence within 30 days of approval by the Executive Director. However, Sections 6.2.D and 6.4 require Sable to obtain all other necessary government approvals for the work. The timeline for implementing the Restoration Plan should run from receipt of all other necessary government approvals.
- Deadline Extension for Native American Monitors (Section 6.10.G): This section requires that work be halted under certain circumstances to allow for Native American Monitors. If work is halted consistent with this requirement, the deadlines in the Proposed Orders should allow for associated extensions.
- Commission Site Access (Section 11.1): This section provides Commission Staff with site access. This section should acknowledge the limited scope of Sable's easement rights. In addition, this section should be updated to clarify that Commission staff does not have the right to enter Sable offices to inspect Sable files.

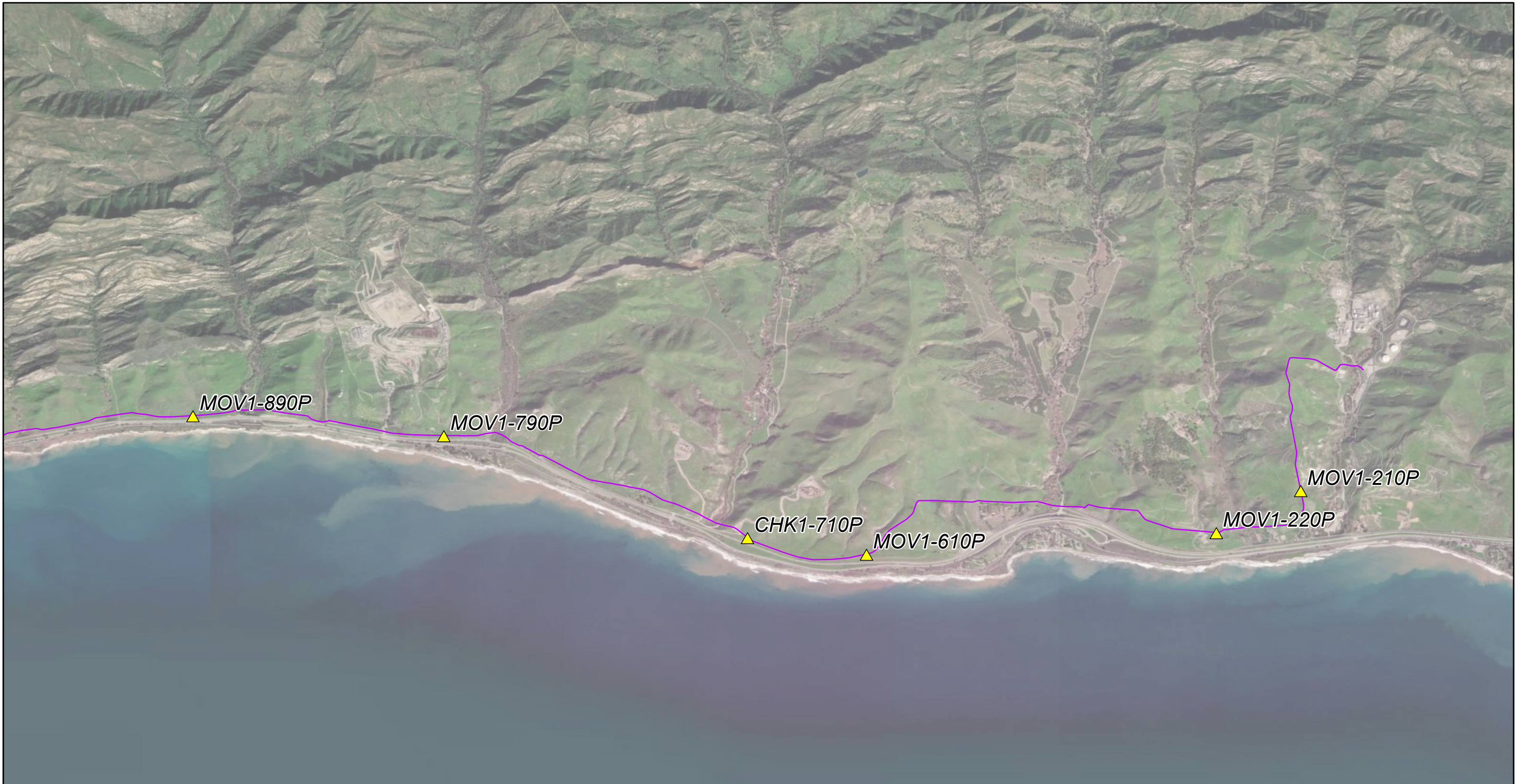
April 4, 2025

LATHAM & WATKINS LLP



EXHIBIT 1 TO ATTACHMENT A

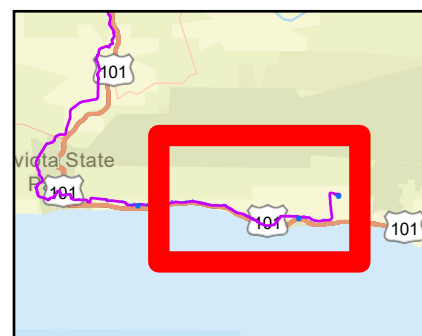
Installed Valves Vicinity Map

These Materials Have Been Provided to Coastal Commission Staff



Legend

-  Installed Below-Grade Valves
-  Line CA-324



Installed Valves - Vicinity Map

Pacific Pipeline Company
Santa Barbara County, California

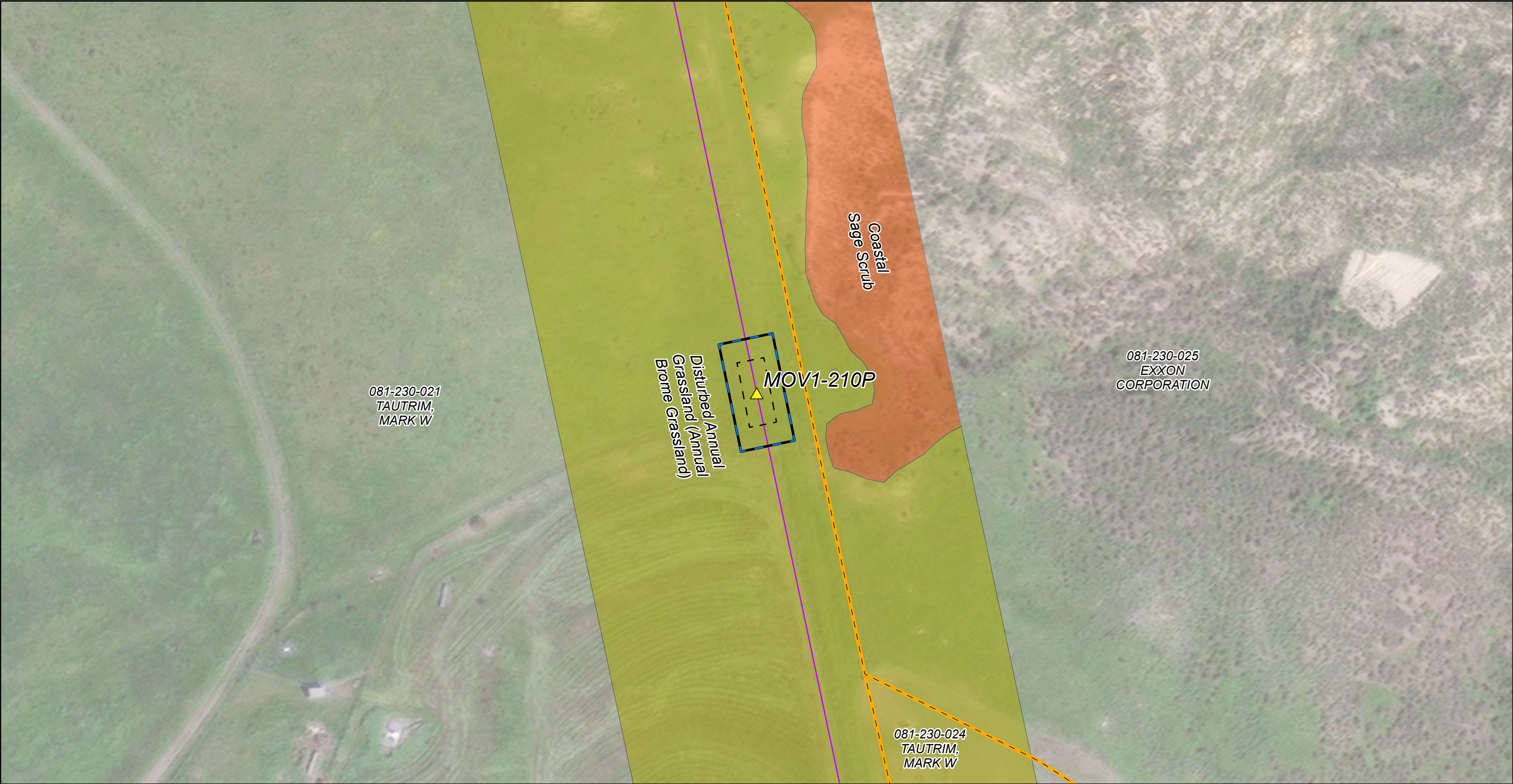
SCS ENGINEERS

Santa Maria, CA

March 2025

0 0.5 1 Miles





Legend

- Installed Below-Grade Valves
- Assessor's Parcel
- Line CA-324
- Valve Excavation Footprint (25 x 60 feet)

- Temporary Workspace (50 x 100 feet)
- Biological Habitat**
 - Coastal Sage Scrub
 - Disturbed Annual Grassland (Annual Brome Grassland)








Installed Valves -Site Maps
Figure 1 - MOV1-210P
Pacific Pipeline Company
Santa Barbara County, California





SCS ENGINEERS			
Santa Maria, CA	March 2025		



Legend

-  Installed Below-Grade Valves
-  Assessor's Parcel
-  Line CA-324
-  Valve Excavation Footprint (25 x 60 feet)
-  Temporary Workspace (50 x 100 feet)

Biological Habitat

-  Coastal Sage Scrub
-  Developed
-  Disturbed Annual Grassland (Annual Brome Grassland)
-  Purple Sage Scrub



Installed Valves -Site Maps

Figure 2 - MOV1-220P

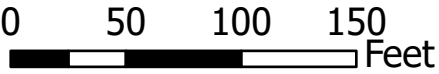
Pacific Pipeline Company

Santa Barbara County, California

SCS ENGINEERS

Santa Maria, CA

March 2025

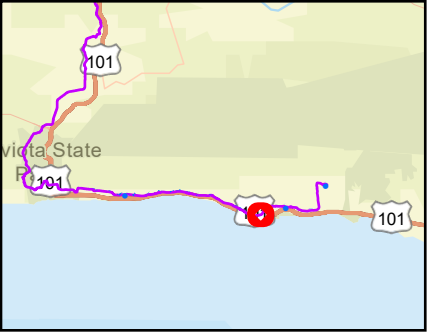




Legend

- ▲ Installed Below-Grade Valves
- ▭ Assessor's Parcel
- Line CA-324
- ▭ Valve Excavation Footprint (25 x 60 feet)
- ▭ Temporary Workspace (50 x 100 feet)

- Biological Habitat
- Coastal Sage Scrub
 - Developed
 - Disturbed Annual Grassland (Annual Brome Grassland)



Installed Valves -Site Maps
Figure 3 - MOV1-610P
Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS		0 50 100 150 Feet	N
Santa Maria, CA	March 2025		



Legend

- ▲

 Installed Below-Grade Valves
- ▭

 Assessor's Parcel
- Line CA-324
- ▭

 Valve Excavation Footprint (25 x 60 feet)
- ▭

 Temporary Workspace (50 x 100 feet)
- Biological Habitat

▭

 Coastal Sage Scrub

▭

 Developed

▭

 Disturbed Annual Grassland (Annual Brome Grassland)



Installed Valves -Site Maps
Figure 4 - MOV1-790P
Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS		0 50 100 150 Feet	
Santa Maria, CA	March 2025		



Legend

- Installed Below-Grade Valves
- Assessor's Parcel
- Line CA-324
- Valve Excavation Footprint (25 x 60 feet)
- Temporary Workspace (50 x 100 feet)
- Biological Habitat**
 - Coastal Sage Scrub
 - Disturbed Annual Grassland (Annual Brome Grassland)



Installed Valves -Site Maps

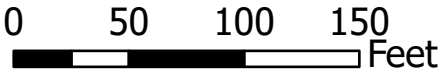
Figure 5 - MOV1-890P

Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS

Santa Maria, CA

March 2025





Legend

- ▲ Installed Below-Grade Valves
- ▭ Assessor's Parcel
- Line CA-324
- ▭ Valve Excavation Footprint (25 x 60 feet)
- ▭ Temporary Workspace (50 x 100 feet)

- Biological Habitat**
- Coastal Sage Scrub
 - Developed
 - Disturbed Annual Grassland (Annual Brome Grassland)



Installed Valves -Site Maps
Figure 6 - CHK1-710P
Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS		0 50 100 150 Feet	
Santa Maria, CA	March 2025		



Legend

- Installed Below-Grade Valves
- Assessor's Parcel
- Environmentally Sensitive Habitat Overlay
- Line CA-324
- Valve Excavation Footprint (25 x 60 feet)
- Temporary Workspace (50 x 100 feet)

- Biological Habitat
- California Sycamore Woodlands
 - Coastal Sage Scrub
 - Developed
 - Disturbed Annual Grassland (Annual Brome Grassland)



Installed Valves -Site Maps
Figure 7 - MOV1-990P
Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS			
Santa Maria, CA	March 2025		

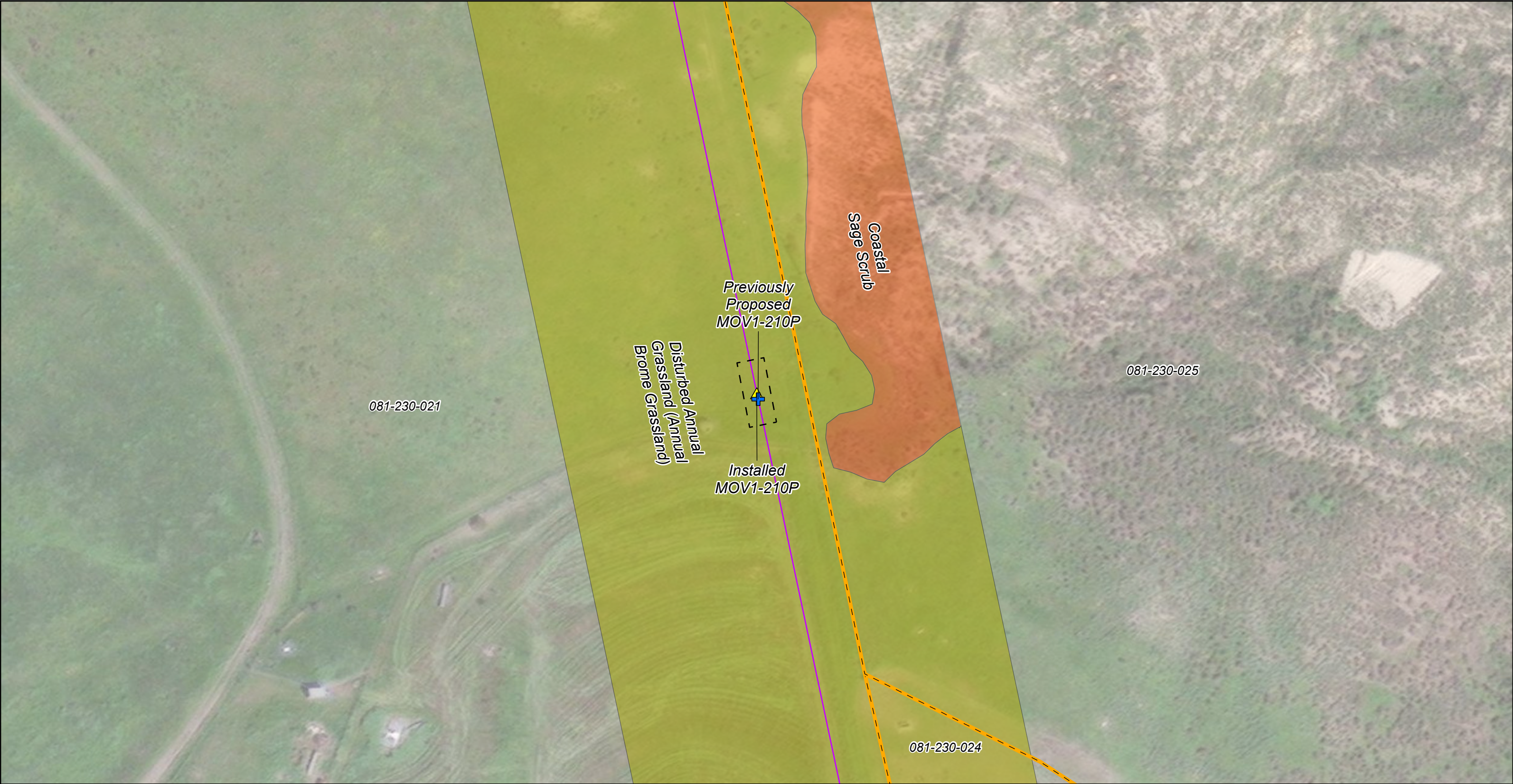
April 4, 2025

LATHAM & WATKINS LLP

EXHIBIT 2 TO ATTACHMENT A

Previously Proposed v. Installed Valves Map

These Materials Have Been Provided to Coastal Commission Staff



Legend

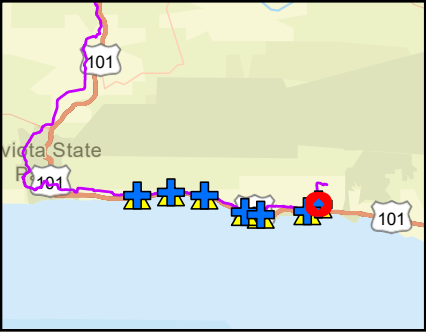
- ▲

 Installed Below-Grade Valves
- +

 Previously Proposed Above Grade Valve Location
- Assessor's Parcel
- Line CA-324
- Valve Excavation Footprint (25 x 60 feet)
- Biological Habitat

Coastal Sage Scrub

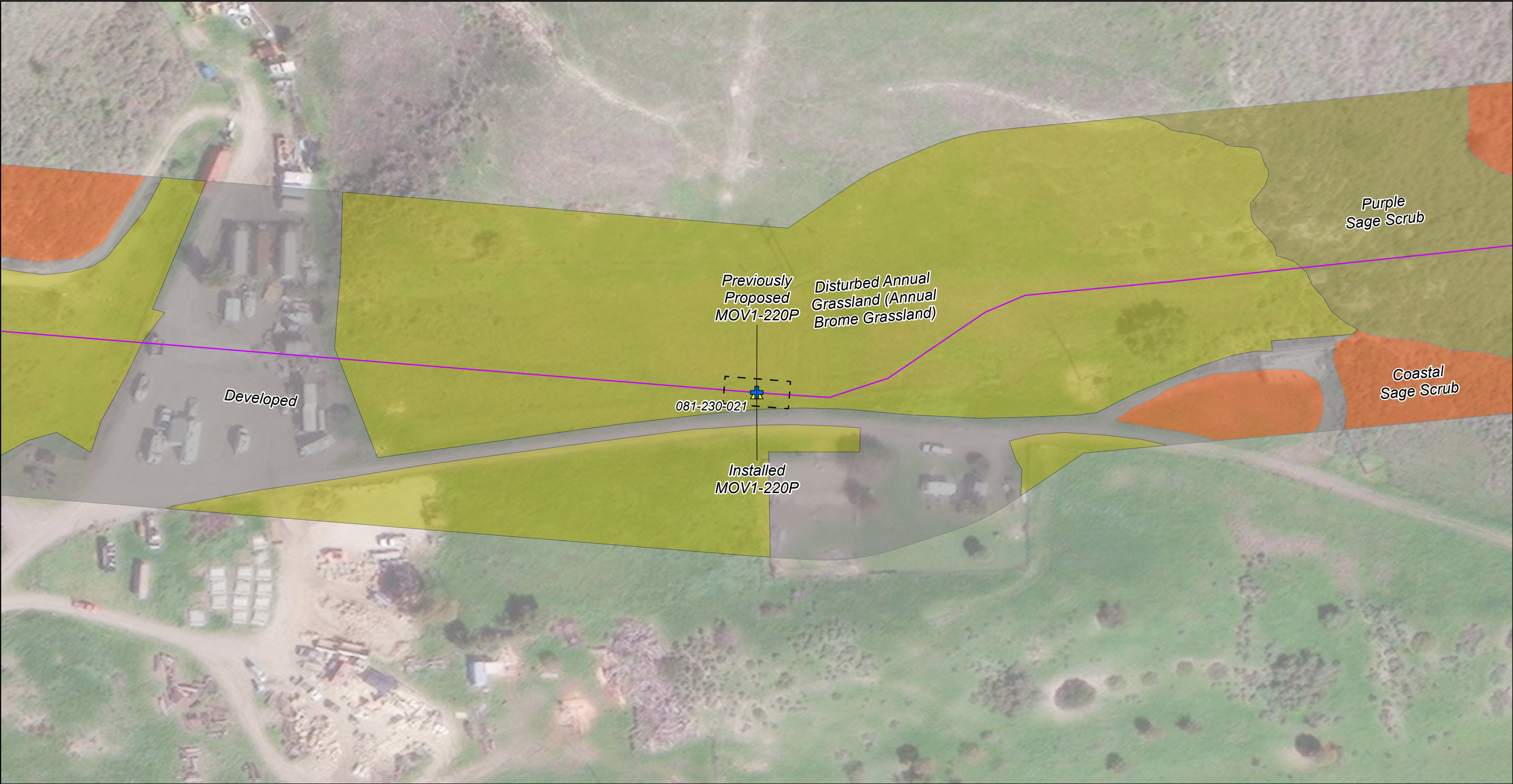
Disturbed Annual Grassland (Annual Brome Grassland)



Previously Proposed Vs Installed Valves - Habitat Maps

Figure 1 - MOV1-210P
Pacific Pipeline Company
Santa Barbara County, California

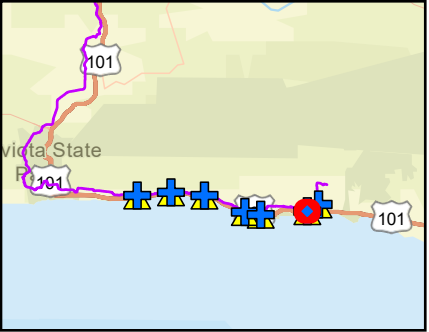
SCS ENGINEERS		<div>050100150</div> <div>Feet</div>	<div>N</div>
Santa Maria, CA	March 2025		



Legend

- Installed Below-Grade Valves
- Previously Proposed Above Grade Valve Location
- Assessor's Parcel
- Line CA-324
- Valve Excavation Footprint (25 x 60 feet)

- Biological Habitat
- Coastal Sage Scrub
 - Developed
 - Disturbed Annual Grassland (Annual Brome Grassland)
 - Purple Sage Scrub



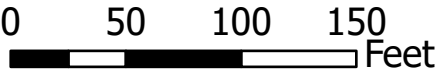
Previously Proposed Vs Installed Valves - Habitat Maps

Figure 2 - MOV1-220P
Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS

Santa Maria, CA

March 2025

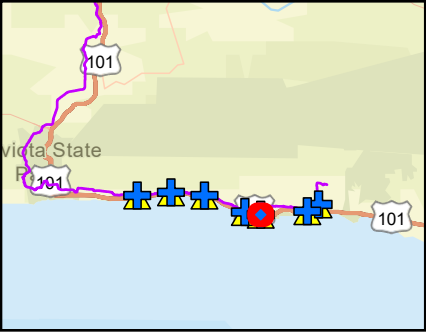




Legend

- Installed Below-Grade Valves
- Previously Proposed Above Grade Valve Location
- Assessor's Parcel
- Line CA-324
- Valve Excavation Footprint (25 x 60 feet)

- Biological Habitat
- Coastal Sage Scrub
 - Developed
 - Disturbed Annual Grassland (Annual Brome Grassland)



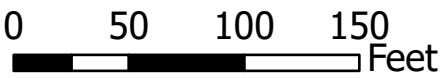
Previously Proposed Vs Installed Valves - Habitat Maps

Figure 3 - MOV1-610P
Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS

Santa Maria, CA

March 2025

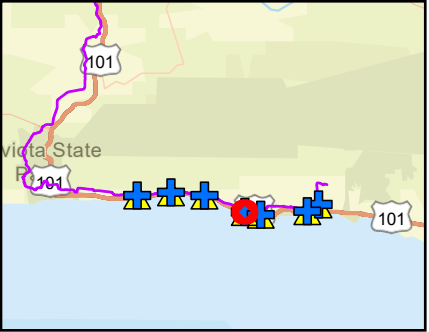




Legend

- ▲ Installed Below-Grade Valves
- ⊕ Previously Proposed Above Grade Valve Location
- ▭ Assessor's Parcel
- Line CA-324
- ▭ Valve Excavation Footprint (25 x 60 feet)

- Biological Habitat
- Coastal Sage Scrub
 - Developed
 - Disturbed Annual Grassland (Annual Brome Grassland)



Previously Proposed Vs Installed Valves - Habitat Maps

Figure 4 - CHK1-710P
Pacific Pipeline Company
Santa Barbara County, California

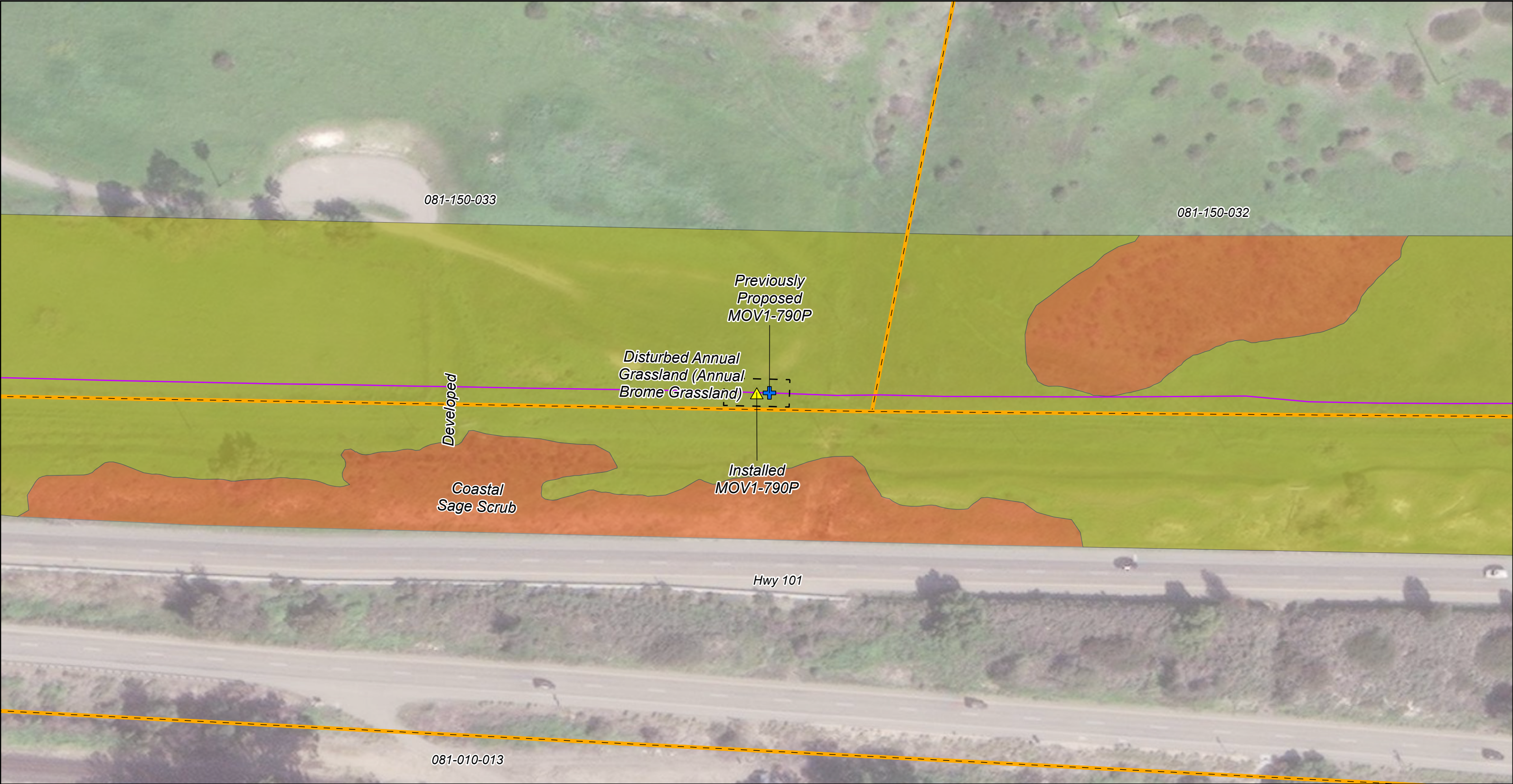
SCS ENGINEERS

Santa Maria, CA

March 2025

0 50 100 150
Feet

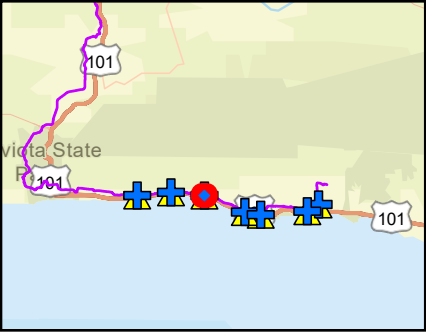




Legend

- Installed Below-Grade Valves
- Previously Proposed Above Grade Valve Location
- Assessor's Parcel
- Line CA-324
- Valve Excavation Footprint (25 x 60 feet)

- Biological Habitat
- Coastal Sage Scrub
 - Developed
 - Disturbed Annual Grassland (Annual Brome Grassland)



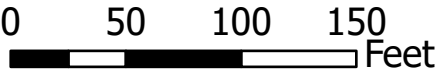
Previously Proposed Vs Installed Valves - Habitat Maps

Figure 5 - MOV1-790P
Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS

Santa Maria, CA

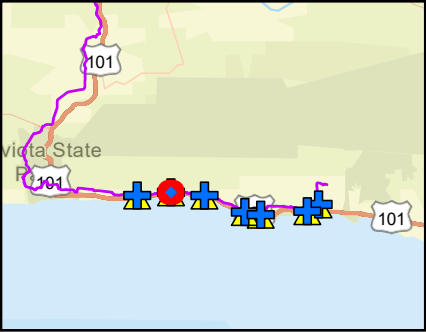
March 2025





Legend

- Installed Below-Grade Valves
- Previously Proposed Above Grade Valve Location
- Assessor's Parcel
- Line CA-324
- Valve Excavation Footprint (25 x 60 feet)
- Biological Habitat
 - Coastal Sage Scrub
 - Disturbed Annual Grassland (Annual Brome Grassland)



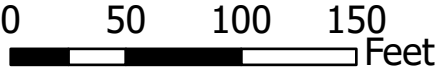
Previously Proposed Vs Installed Valves - Habitat Maps

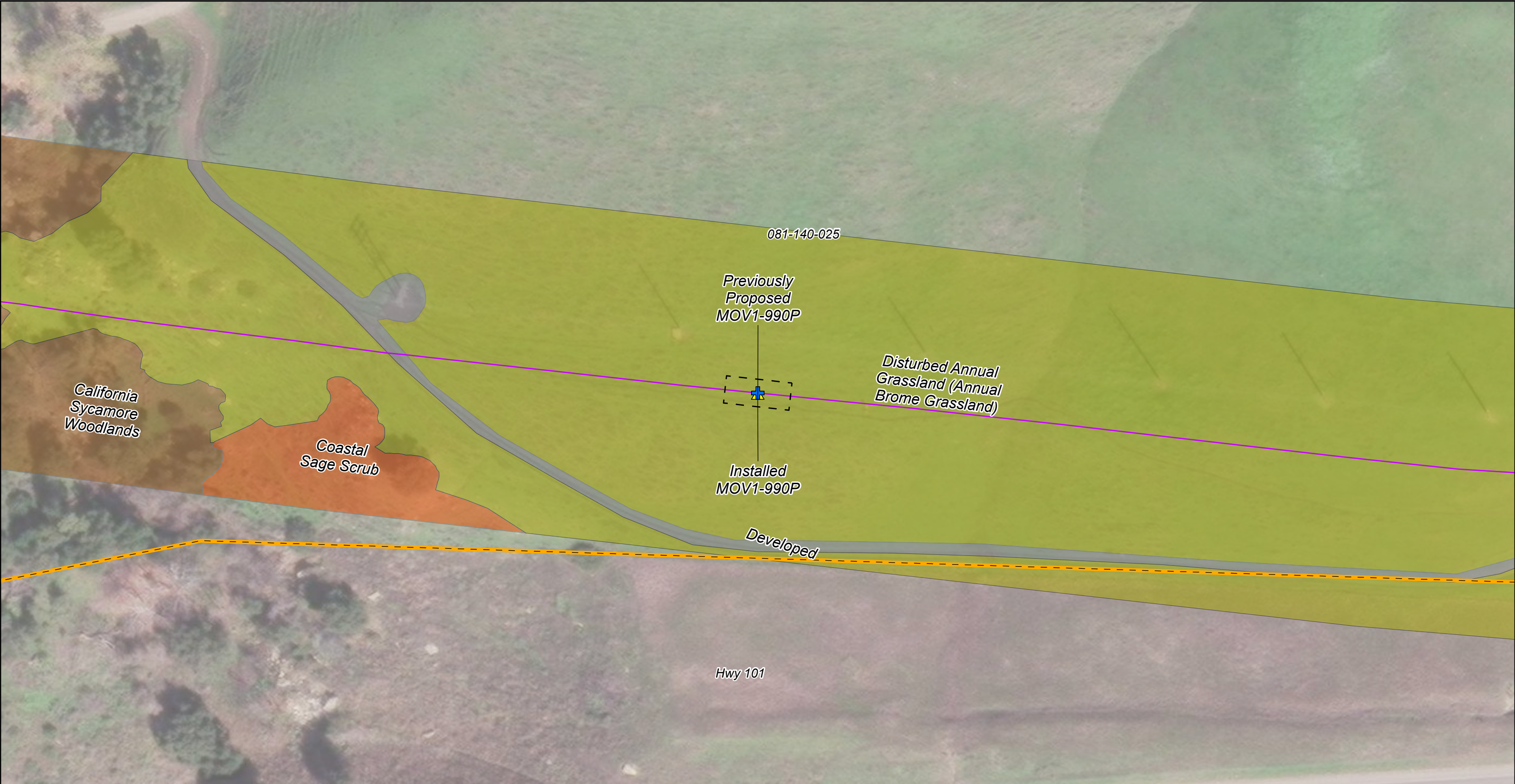
Figure 6 - MOV1-890P
Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS

Santa Maria, CA

March 2025





Legend

- Installed Below-Grade Valves
- Previously Proposed Above Grade Valve Location
- Assessor's Parcel
- Line CA-324
- Valve Excavation Footprint (25 x 60 feet)

- Biological Habitat
- California Sycamore Woodlands
 - Coastal Sage Scrub
 - Developed
 - Disturbed Annual Grassland (Annual Brome Grassland)



Previously Proposed Vs Installed Valves - Habitat Maps

Figure 7 - MOV1-990P
Pacific Pipeline Company
Santa Barbara County, California

SCS ENGINEERS

Santa Maria, CA

March 2025

