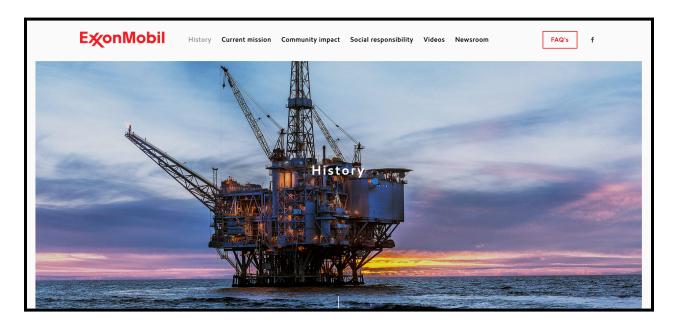
Exxon Be Gone? Not Without a Fight



A history of omission Exxon's website history of its Santa Barbara offshore oil operations omits the 1969 oil spill and the denial of its permit to truck oil through SLO County.

On June 14, the Santa Barbara County Planning Commission marked the next stage in the fight to keep Exxon's oil operations on the Gaviota Coast – which ended in disaster with the 2015 Refugio Beach oil spill – from restarting. For eight years, the oil giant has been trying to find a way to restart its Hondo, Harmony and Heritage offshore platforms and truck the oil across Santa Barbara and San Luis Obispo counties, and restart its ruptured, corroded pipelines, which stretch from Gaviota past Twitchell Reservoir and extend the length of the Cuyama River watershed. When Exxon's three moribund oil rigs were active, the Gaviota facility was responsible for 40 percent of carbon emissions in the region.

Exxon lost the fight over the trucking permit – disappointing everyone who longed to encounter oil tanker trucks on Highway 166 much more frequently than they do now -- <u>and promptly sued Santa Barbara County.</u>

Then they lost the first round of the fight to install safety valves in the defunct pipeline while pretending they didn't intend to actually restart the pipeline so they shouldn't be required to undergo any environmental review.

On June 14, Exxon finally chalked up a win when Santa Barbara County Planning Commissioners okayed the transfer of ownership of the defunct oil pipelines to an Exxon subsidiary. The Planning Commission should have denied the transfer because the written

findings were contrary to the facts and inconsistent with the Planning Commission's recently approved findings denying the Valve Upgrade Project.

The Santa Lucia Chapter of the Sierra Club noted, per Santa Barbara's County Code, that the County cannot transfer ownership of the pipeline unless all permit conditions are met. Central to that compliance requirement for these pipelines is the requirement for a cathodic protection system.

In seeking to show that the transfer request is in compliance with this requirement, the commission's staff report pointed to the statement in the Draft Environmental Impact Report/ Environmental Impact Statement (DEIR/EIS) "that the cathodic protection system would be inspected and maintained at 6-month intervals" and asserts that "the design of the cathodic protection system and the equipment used is in accordance with the elements outlined in the DEIR/EIS. The cathodic protection system was installed as part of the original construction of the pipelines and implements Impressed Current Cathodic Protection (ICCP), consisting of rectifiers and high-current capacity groundbed anodes located at each pipeline station."

Further, "the cathodic protection system is inspected at least every 6-months in addition to annual inspections, which meet the described inspection and maintenance schedules....

Therefore, Plains is in compliance with the project description outlined in the FDP Permit, and the pipeline system also meets the cathodic protection elements described in the DEIR/EIS."

This effort to show compliance attempted to negate the unavoidable fact that precedes it in the staff report: "[T]he existing cathodic protection failed, leading to the 2015 Refugio Incident." In the real world, the cathodic protection system failed to prevent corrosion, the inspection and maintenance program failed to detect the corrosion, and neither the corrosion nor the pipelines' wholly inadequate cathodic protection system have been repaired. The Revised Notice of Preparation of the Draft Environmental Impact Report on the Plains Replacement Pipeline Project confirmed that "Plains cannot meet the current cathodic protection requirements outlined in PHMSA's Corrective Action Orders (CAOs) due to deficiencies in the existing pipeline coating." PHMSA is the Pipeline and Hazardous Materials Safety Administration of the US Dept. of Transportation.

In other words, the staff report sought to demonstrate compliance by cataloging the system components, safety measures, and monitoring protocols that collectively failed to prevent the rupture of the pipeline and an oil spill and calling it good, despite that last part. The cathodic protection system no longer exists, and even if it was still functional, and even if Plains had adequately maintained, inspected and monitored the system, the investigation of the Refugio spill found that the failure of the cathodic system was fundamentally a design flaw: It could not have prevented the corrosion that caused the oil spill.

Regardless, the Commission voted 3-1 to approve the transfer with the findings as proposed. Next up: An August 22 hearing on Exxon's appeal of the valve project denial.

Worthy of note: The Exxon speakers and planning staff said at the meeting that any pipeline restart process must go through a separate evaluation and approval process with the County. So if Exxon tries to claim that the pipeline is now part of their current Las Flores operating permit and therefore they are free to restart, that should be a non-starter.

Sign up for a new Sunstone Strategies project: <u>The Crude Truth</u>. This monthly newsletter details how Big Oil undermines and pollutes democracy in California in its efforts to stall progress on climate.

<u>The first edition</u> details Big Oil lobbying, front groups, and what bills Big Oil lobbied on from Quarter 1 of 2023. The latest takes a tour of Big Oil's revolving door, contributions to legislators, and more.

Sign up here to receive The Crude Truth newsletter.



Welcome to the inaugural edition of The Crude Truth, a monthly newsletter detailing Big
Oil's efforts to undermine democracy in California.

This edition dives into lobbying disclosures, front group activities and political donations while offering social media content and talking points to help you fight against polluter efforts to undermine climate action in Sacramento and beyond.